

Union, reported that that Committee having had under consideration the bill (H.R. 8449) to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907, pursuant to House Resolution 536, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SPRINGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 370, nays 0, not voting 61, as follows:

[Roll No. 213]  
YEAS—370

Abbott	Buchanan	Donohue
Abernethy	Burke, Fla.	Dorn
Adair	Burke, Mass.	Dowdy
Adams	Burleson, Tex.	Downing
Addabbo	Burlison, Mo.	Dulski
Albert	Bush	Duncan
Alexander	Button	Dwyer
Anderson,	Byrne, Pa.	Eckhardt
Calif.	Byrnes, Wis.	Edmondson
Anderson, Ill.	Cabell	Edwards, Calif.
Anderson,	Caffery	Edwards, La.
Tenn.	Camp	Ellberg
Andrews, Ala.	Carter	Erlenborn
Andrews,	Casey	Esch
N. Dak.	Cederberg	Eshleman
Annunzio	Celler	Evans, Colo.
Arends	Chamberlain	Evans, Tenn.
Ashbrook	Chappell	Fallon
Ashley	Clark	Farbstein
Aspinall	Clausen,	Feighan
Ayres	Don H.	Findley
Baring	Clawson, Del	Fish
Barrett	Clay	Fisher
Beall, Md.	Cleveland	Flood
Belcher	Cohelan	Flowers
Bell, Calif.	Collier	Flynt
Bennett	Conable	Foley
Betts	Conte	Ford, Gerald R.
Bevill	Conyers	Fountain
Biaggi	Corbett	Fraser
Bieber	Corman	Frelinghuysen
Bingham	Coughlin	Frey
Blackburn	Cowger	Friedel
Blanton	Cramer	Fulton, Pa.
Boggs	Culver	Fulton, Tenn.
Boland	Cunningham	Fuqua
Bolling	Daddario	Gallifanakis
Bow	Daniel, Va.	Gallagher
Brademas	Daniels, N.J.	Garmatz
Brasco	Davis, Ga.	Gaydos
Bray	Davis, Wis.	Gettys
Brinkley	de la Garza	Gialimo
Brock	Delaney	Gibbons
Broomfield	Dellenback	Gonzalez
Brotzman	Dennis	Goodling
Brown, Calif.	Dent	Gray
Brown, Mich.	Derwinski	Green, Oreg.
Brown, Ohio	Devine	Green, Pa.
Broyhill, N.C.	Dickinson	Griffiths
Broyhill, Va.	Dingell	Gross

Grover	Madden	Rogers, Fla.
Gubser	Mahon	Rooney, Pa.
Gude	Mailliard	Rosenthal
Hagan	Mann	Roth
Haley	Marsh	Roudebush
Hall	Martin	Roybal
Hamilton	Mathias	Ruppe
Hammer-	Matsunaga	Ruth
schmidt	May	Ryan
Hanley	Mayne	St Germain
Hanna	Meeds	Sandman
Hansen, Idaho	Meicher	Satterfield
Hansen, Wash.	Meskill	Saylor
Harrington	Michel	Schadeberg
Harsha	Mikva	Scherle
Hastings	Miller, Ohio	Scheuer
Hathaway	Mills	Schneebell
Hawkins	Minish	Schwengel
Hays	Mink	Scott
Hébert	Minshall	Shipley
Hechler, W. Va.	Mize	Sisk
Heckler, Mass.	Mizell	Skubitz
Helstoski	Mollohan	Slack
Henderson	Monagan	Smith, Calif.
Hicks	Montgomery	Smith, Iowa
Hogan	Moorhead	Smith, N.Y.
Horton	Morgan	Snyder
Hosmer	Morse	Springer
Hull	Morton	Staggers
Hungate	Mosher	Stanton
Hunt	Moss	Steed
Hutchinson	Murphy, Ill.	Steiger, Ariz.
Ichord	Murphy, N.Y.	Steiger, Wis.
Jacobs	Myers	Stokes
Jarman	Natcher	Stratton
Johnson, Calif.	Nedzi	Stubblefield
Johnson, Pa.	Nelsen	Stuckey
Jonas	Nix	Sullivan
Jones, Ala.	Obey	Taft
Jones, N.C.	O'Hara	Talcott
Kastenmeier	Olsen	Taylor
Kazen	O'Neal, Ga.	Thompson, Ga.
Kee	O'Neill, Mass.	Thompson, N.J.
Keith	Ottinger	Thomson, Wis.
King	Passman	Tierman
Kleppe	Patman	Udall
Kluczynski	Patten	Ullman
Koch	Perkins	Utt
Kuykendall	Pettis	Van Derlin
Kyl	Philbin	Vander Jagt
Kyros	Pickle	Vanik
Landgrebe	Pike	Vigorito
Langen	Poage	Waggonner
Latta	Poff	Waldie
Leggett	Pollock	Wampler
Lennon	Freyer, N.C.	Watkins
Lloyd	Price, Ill.	Watts
Long, La.	Price, Tex.	Weicker
Long, Md.	Pryor, Ark.	Whalen
Lowenstein	Pucinski	Whalley
Lujan	Purcell	White
McCarthy	Quile	Widnall
McClary	Quillen	Wiggins
McCloskey	Randall	Williams
McClure	Rarick	Wold
McCulloch	Reid, Ill.	Wyatt
McDade	Reid, N.Y.	Wyder
McDonald,	Reifel	Wylie
Mich.	Reuss	Wymann
McEwen	Rhodes	Yates
McFall	Riegle	Yatron
McKneally	Rivers	Young
McMillan	Roberts	Zablocki
Macdonald,	Robison	Zion
Mass.	Rodino	Zwach
MacGregor	Rogers, Colo.	

NAYS—0

NOT VOTING—61

Berry	Griffin	Rooney, N.Y.
Blatnik	Halpern	Rostenkowski
Brooks	Harvey	St. Onge
Burton, Calif.	Hollifield	Sebelius
Burton, Utah	Howard	Shriver
Cahill	Jones, Tenn.	Sikes
Carey	Karth	Stafford
Chisholm	Kirwan	Stephens
Clancy	Landrum	Symington
Collins	Lipscomb	Teague, Calif.
Colmer	Lukens	Teague, Tex.
Dawson	Miller, Calif.	Tunney
Denney	Nichols	Watson
Diggs	O'Konski	Whitehurst
Edwards, Ala.	Pelly	Whitten
Fascell	Pepper	Wilson, Bob
Ford,	Pirnie	Wilson,
William D.	Podell	Charles H.
Foreman	Powell	Winn
Gilbert	Rallsback	Wolf
Goldwater	Rees	Wright

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hollifield with Mr. Lipscomb.
Mr. Gilbert with Mr. Stafford.
Mr. Griffin with Mr. Foreman.
Mr. Carey with Mr. Clancy.
Mr. Brooks with Mr. Berry.
Mr. Kirwan with Mr. Harvey.
Mr. Teague of Texas with Mr. Collins.
Mr. Whitten with Mr. Denney.
Mr. Wolf with Mr. Pirnie.
Mr. Miller of California with Mr. Bob Wilson.
Mr. Pepper with Mr. Edwards of Alabama.
Mr. Fascell with Mr. Burton of Utah.
Mr. Podell with Mr. Halpern.
Mr. Rooney of New York with Mr. Landrum.
Mr. Rostenkowski with Mr. Lukens.
Mr. St. Onge with Mr. Goldwater.
Mr. Sikes with Mr. Pelly.
Mr. Charles H. Wilson with Mr. O'Konski.
Mr. Tunney with Mr. Teague of California.
Mr. Howard with Mr. Cahill.
Mr. Blatnik with Mr. Rallsback.
Mr. Colmer with Mr. Sebelius.
Mr. Nichols with Mr. Shriver.
Mr. Stephens with Mr. Watson.
Mr. Wright with Mr. Winn.
Mr. Karth with Mr. Whitehurst.
Mr. Symington with Mr. Diggs.
Mr. William D. Ford with Mr. Jones of Tennessee.
Mr. Rees with Mrs. Chisholm.
Mr. Burton of California with Mr. Powell.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objections.

#### EXTENDING ASSISTANCE FOR PUBLIC BROADCASTING FACILITIES AND CORPORATION FOR PUBLIC BROADCASTING

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 526 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 526

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7737) to amend the Communications Act of 1934 by extending the provisions thereof relating to grants for construction of educational television or radio broadcasting facilities and the provisions relating to support of the Corporation for Public Broadcasting. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments

thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 7737, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill S. 1242, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 7737 as passed by the House.

The SPEAKER. The gentleman from California (Mr. SISK) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 526 provides an open rule with 1 hour of general debate for consideration of H.R. 7737 to amend the Communications Act of 1934 by extending the provisions thereof relating to grants for construction of educational television or radio broadcasting facilities and the provisions relating to support of the Corporation for Public Broadcasting. After the passage of H.R. 7737, the Committee on Interstate and Foreign Commerce shall be discharged from further consideration of S. 1242 and it shall be in order to move to strike all after the enacting clause of the Senate bill and amend it with the House-passed language.

H.R. 7737 would extend for 3 additional years—fiscal years 1971 to 1973—the matching grant program for construction of noncommercial educational radio and television broadcasting facilities; authorize the appropriation of \$15 million for each of the 3 years for such program; and authorize the appropriation of \$20 million for fiscal year 1970 for the support of the Corporation for Public Broadcasting.

The Educational Television Facilities Act of 1962 was enacted to provide matching grants to establish and expand public television broadcasting stations and authorized \$32 million for the 5 fiscal years beginning with fiscal year 1963. Because of the success of the program, the Congress enacted the Public Broadcasting Act of 1967, which expanded the educational television facilities grant program to include educational radio facilities and extended that program for 3 more years.

In addition, the Public Broadcasting Act of 1967 established a private, independent, nonprofit corporation to assist in the development of public broadcasting in the United States—the Corporation for Public Broadcasting.

Under the public broadcasting facilities grant program, the Secretary of Health, Education, and Welfare makes grants to eligible applicants of up to 75 percent of the cost of acquiring and installing radio and television broadcasting apparatus. Grant funds cannot be used for the purchase, construction, or repair of buildings or the acquisition of lands.

During the grant program, four of every five public television broadcasting stations have received grants thereunder and the number of States without public television broadcast service has been reduced from 15 to three and it is estimated

that for every dollar granted by the Federal Government, State, local and private sources have expended \$11.

The Corporation for Public Broadcasting has served as a means for merging Federal and private financing for public broadcasting. To date, the Corporation has received over \$2 million in funds from private sources, in addition to the \$5 million appropriated to it by the Congress for fiscal year 1969.

Mr. Speaker, I urge the adoption of House Resolution 526 in order that H.R. 7737 may be considered.

Mr. Speaker, I reserve the balance of my time.

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, the gentleman from California has pointed out the purpose of this bill is to authorize funds for fiscal year 1971, and each of the 2 succeeding fiscal years for the construction of noncommercial educational radio and television broadcasting facilities, and to authorize for only fiscal 1970 funds for the support of the Corporation for Public Broadcasting.

The authorizations for the construction grants, which are on a matching basis, are for \$15,000,000 for each of the 3 years beginning with fiscal 1971. Not more than 8.5 percent of the funds appropriated may be granted for projects in any one State. Since the program was established by the 87th Congress four of every five noncommercial broadcasting stations have received grants. Grants have gone to 47 States, the District of Columbia, and Puerto Rico. It is estimated that for every Federal dollar expended funds from State, local, and private sources have expended \$11.

The bill also authorizes \$20,000,000 in Federal funds for fiscal 1970 for the continued operations of the Corporation for Public Broadcasting. Created by the Congress in 1967, the Corporation is operated by a bipartisan Board of Directors, chaired by Mr. John W. Macy, Jr. Relying on both public and private funding, the Corporation, by its program of grants to noncommercial stations and production organizations, has sought to improve and upgrade the quality of noncommercial programming and also to assist stations with an experimental system of interconnection, enabling each station to have a greatly enlarged reservoir of programs from which to choose in determining its scheduling. Also supported by the Corporation is National Educational Television—NET—which has been able to expand its activities as a result.

The administration supports the legislation. There are no minority views.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SISK. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into

the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7737) to amend the Communications Act of 1934 by extending the provisions thereof relating to grants for construction of educational television or radio broadcasting facilities and the provisions relating to support of the Corporation for Public Broadcasting.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7737, with Mr. GALLAGHER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. SPRINGER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

(Mr. STAGGERS asked and was given permission to revise and extend his remarks.)

Mr. STAGGERS. Mr. Chairman, the bill, H.R. 7737, that the House has under consideration provides for assistance in the development of public broadcasting. "Public broadcasting" is the term which has replaced "educational broadcasting" to describe the system of radio and television stations which are licensed to State and locally supported schools and school systems, State broadcasting agencies and commissions, and nonprofit community corporations and associations which engage in public broadcasting. These stations broadcast educational, cultural, and informational programs without commercial advertising. As such, they provide an alternative to commercial broadcasting. However, in this connection, Mr. Chairman, I would like to quote from the recent report on violence in television entertainment programs of the National Commission on the Causes and Prevention of Violence. That is the Commission chaired by Dr. Milton Eisenhower. The report states:

We believe, as the Public Broadcasting Act of 1967 states, "that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programming which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence," and "that it is necessary and appropriate for the Federal Government to complement, assist, and support a national policy that will most effectively make noncommercial radio and television service available to all the citizens of the United States."

I would also like to point out and emphasize, Mr. Chairman, that this legislation and the program it extends is supported by the National Association

of Broadcasters and the major networks.

Specifically, the bill as amended does three things:

First, it extends for 3 additional years, fiscal years 1971 through 1973, the matching grant program for construction of public radio and television broadcasting facilities;

Second, it authorizes \$15 million for each of those 3 years; and

Third, it authorizes the appropriation of \$20 million for the Corporation for Public Broadcasting for fiscal year 1970.

PUBLIC BROADCASTING FACILITIES GRANT PROGRAM

The public broadcasting facilities grant program is one of the most effective programs within the jurisdiction of our committee. It originated with the Educational Television Facilities Act of 1962. Under the program, grants are made by the Department of Health, Education, and Welfare of up to 75 percent of the cost of purchasing and installing educational radio and television broadcasting apparatus. In view of the 75-percent figure, I should like to observe, Mr. Chairman, that grant funds cannot be used for the purchase, construction, or repair of buildings or the acquisition of land.

Not more than 8½ percent of the funds appropriated for the program may be used for grants in any State.

Since the program began in 1963—

Over 100 public broadcasting stations have gone on the air bringing public television signals to 50 million additional American viewers;

Four out of five public television broadcast stations have received grants under the program;

The number of States without public television broadcast service has been reduced from 15 so that today only Alaska, Montana, and Wyoming are without that service. I am hopeful that soon they too will have the benefit of public broadcasting stations; and

Grants under the program have been made in 47 States, the District of Columbia, and the Commonwealth of Puerto Rico.

As introduced, the bill provided a 5-year extension of the program with open-ended authorizations for each of those years.

The committee has amended the bill to provide for a 3-year extension with \$15 million authorized for each year. This is in accord with recommendations of the Department of Health, Education, and Welfare.

THE CORPORATION FOR PUBLIC BROADCASTING

As I indicated, Mr. Chairman, the bill authorizes the appropriation of \$20 million for the Corporation for Public Broadcasting for fiscal year 1970.

The Corporation was established under the Public Broadcasting Act of 1967 to develop programs for use by public broadcasting stations, to facilitate the availability of programs, and to promote the growth and development of public broadcasting in the United States.

It is a private, independent, nonprofit, and nonpartisan corporation which is incorporated under the laws of the District of Columbia.

Because of delays in making appointments, the Corporation is just getting underway. Last year \$5 million was appropriated to the Corporation and it received over \$2 million from private sources.

With these funds, the Corporation has, among other things—

Processed general support grants to practically all public broadcasting stations and the six regional networks serving them;

Made grants of up to \$50,000 to 13 stations to carry out proposals for major new programs capable of both local and national distribution;

Assisted with funding to keep established quality programs on the air which otherwise would have been dropped;

Worked out an experimental system for interconnecting the public broadcasting stations of the United States;

Participated in funding the Children's Television Workshop which is developing quality television programs for children; and

Made grants to provide training and experience for operating and creative personnel to staff public broadcasting stations.

The Corporation is headed by a Board of Directors which has won esteem on both sides of the aisle from all who know its membership. Its Chairman is Frank Pace, who was formerly Secretary of the Army and Director of the Bureau of the Budget. The President of the Corporation, who took office in March of this year, is John Macy. As most Members of the House know, Mr. Macy was Chairman of the U.S. Civil Service Commission in the previous administration.

Mr. Chairman, some members of the Board of Directors of the Corporation for Public Broadcasting, in addition to Mr. Frank Pace, the Chairman, are the following:

Erich Leinsdorf, a former director of the Boston Symphony Orchestra;

John D. Rockefeller III;

Joseph A. Beirne, the head of the Communications Workers of America;

Oveta Culp Hobby, the former Commanding Officer of the WAC, and former Secretary of Health, Education, and Welfare;

Jack Valenti, the head of the Motion Picture Association;

James R. Killian, past president of MIT; and

Frank E. Schooley, president of the University of Illinois.

Mr. Chairman, the facilities grant program provides the stations, and the Corporation for Public Broadcasting will provide the programs and interconnections which will give the American people an improved system of public broadcasting for their information and enlightenment. For every dollar granted by the Federal Government to carry out this program, it is estimated that \$11 has been expended by State, local, and private sources.

Mr. Chairman, you can not beat that for a bargain.

Mr. Chairman, I urge the Members of the House to support this legislation with their votes.

Mr. SPRINGER. Mr. Chairman, I

yield myself such time as I may consume.

(Mr. SPRINGER asked and was given permission to revise and extend his remarks.)

Mr. SPRINGER. Mr. Chairman, since 1963, the Federal Government has been assisting States, cities, tax-supported colleges, and nonprofit corporations in the establishment of television stations dedicated to educational and public broadcasting activities. Grants up to 75 percent of the cost of equipment have been available, but it has been the responsibility of the recipients to provide all lands and buildings.

An educational TV station is one which does not sell advertising time or engage in other commercial practices. It must be supported by tax money or public subscription and engage in what can be loosely termed educational programming.

The Federal Communications Commission allocated 656 channels for this purpose with 101 of them in the regular VHF range—channels 1 to 13—and the remainder in the UHF range. To obtain a license to operate on one of these channels the applicants must show that they will be used exclusively for the non-commercial purposes required. Over 100 stations have taken advantage of this program, and the result is that we now have 180 noncommercial TV stations in operation and there are only three remaining States which have no public television service. Most States have established networks for the statewide dissemination of educational and cultural programs so that the potential audience for these services is now over 155 million viewers.

In 1967 when the original 5-year program was drawing to a close and the authorization of \$32 million for that period had been well used, the Congress authorized an extension for another 3-year period at the rate of \$10.5 million, \$12.5 million and \$15 million. At that time radio stations were added to the program. This was important to the fulfillment of the destiny of public broadcasting but amounted to a very modest increase in funds required because of the relatively low cost of radio equipment needed to start a new station compared with that needed for a television facility. During that 3-year period the executive branch did not see fit to pursue this program vigorously, and the authorizations were not translated into appropriations. As a result there is now a considerable backlog of applications which deserve attention.

The bill before us today would extend the grant program for an additional 3 years and authorize \$15 million for each of these years.

The public good can be enhanced in at least three different ways by public broadcasting if it is properly utilized. First, there are the cultural and informational programs which do not fit the mold of commercial television but which should be available to the public whether that public be somewhat more limited in scope than that which finds commercial programs satisfying, or whether it be an occasional offering of universal appeal.

Next, there should be programing of a broadly educational nature such as courses in woodworking, art, or boat handling for any viewer with such an interest.

The remaining category would be purely instructional television wherein the TV set is the classroom and the material is part and parcel of an educational system and courses are offered for credit. This last kind of programing is really in its infancy, and it is the hope of the committee that it will be vigorously pursued in the coming years and imaginatively exploited.

It is obvious from what has been said thus far about the so-called educational television stations that the core of their problem is adequate and quality programing. Obtaining their funds by handouts of various kinds few stations have unlimited manpower or money to expend upon the creation of ambitious or costly programs. Some have done very well with what they have to work with, and some of these better efforts have been made available to many stations. For some years the Ford Foundation through an organization known as NET has assisted in creating quality programs and provided funds for their distribution to the non-commercial stations. Not too much live, on-the-spot viewing can be possible under these circumstances.

It was the realization that more and better programing must be forthcoming that prompted the creation 3 years ago of the Corporation for Public Broadcasting. The purpose of this organization is to create programing of the kind that will make educational TV what it should be and wants to be. The Corporation cannot own stations or create networks, but it can provide material for simultaneous exposure through temporary hookups of the individual independent stations. This expands greatly the potential for timely programs.

It is not anticipated that the Corporation shall be the creator of all or even most of the programs it supports and distributes. The stations themselves may receive financial assistance in the production of material which will have broad significance and interest and therefore be useful for showing in other areas either on a simultaneous or delayed basis. Some activity of this type is already taking place even though the Corporation as an operational entity is still in its infancy.

Because of the safeguard of bipartisan membership on its Board of Directors and a ban on editorializing written into the law, the danger of consistent slanting of material or outright partisanship in coverage should be minimal.

When the Corporation for Public Broadcasting was being discussed and when it was actually created, it was understood that some long-range financing plan would be worked out and eventually written into the law. The prior administration did not accomplish this, and the present administration has not done so as yet. It is still the will of the Congress that it be done. Appropriated funds should not be expected in any great amount, and the present year-to-year authorization awaiting a permanent solution cannot be expected to continue. It may be that the final answer will be periodic authori-

zations for direct appropriations if all other suggested methods of financing seem unacceptable, but we should work out before too long the arrangement which will continue. Also, we should have the basis for making judgments on the sensible and proper level of Government support in conjunction with public support, foundation support and other possible sources of financing.

The amount provided in H.R. 7737 is twice the amount recommended by the administration, and it can be expected that the budget request will be in line with that recommendation. I am not particularly in favor of authorizing far more than the realities indicate will be made available, but in view of the committee action in this instance I am not inclined to fight for any change at this juncture. If the greater figure, which is the sum requested by the Corporation, tends to indicate our confidence in the organization at this stage in its development, then it may be useful to go along for this reason. In any event, I merely wished to point out to my colleagues that the \$20 million figure in the bill is unrealistic under all circumstances, but if by any chance the Corporation can convince the people downtown to go along with them, it would be acceptable.

Public broadcasting has great promise for the presentation of material not now available to the viewer and for filling the gaping holes in program selectivity which are now so apparent. The next 3 years should indicate whether or not public broadcasting can fulfill its destiny. The Committee on Interstate and Foreign Commerce certainly will be monitoring its performance and evaluating the results against the possibilities. This being a 1-year authorization Congress will have another opportunity to look it over next year.

I recommend H.R. 7737 to the House.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Is WETA, channel 26, an educational television station or a nonprofit station, does the gentleman happen to know?

Mr. SPRINGER. I believe that channel 26 is. Channel 20 is not.

Mr. GROSS. Is it an educational TV station?

Mr. SPRINGER. It is an educational TV station.

Mr. GROSS. So, therefore, they participate, do they not, in these funds?

Mr. SPRINGER. They participate in the funds so far as programing is concerned. I believe they are already participating. I do not believe they participate in construction funds because they have been on the air for several years.

Let me say this to my distinguished colleague. We do not—we are not able to control all the programing that goes into any of these stations. All we do control is programing which this corporation programs and sends out.

But you have to understand that each of these stations is independent. If New York City wants to produce a certain kind of program and put it on, this corporation has nothing to do with that. All we do is try to prepare network pro-

grams which go broadside and which have a broad public interest to go out to all of these stations and they can use them or not as they see fit. But we do believe that in view of the popularity and the desire of the people to watch this type of program, that they will put them on. But we do not control what WETA does. That is an educational television station over which we do not have control.

Mr. GROSS. Then, as a matter of fact, we put up the money, or the taxpayers do, because we do not have any money here that is not the taxpayers' money unless the Committee on Banking and Currency cranks up the printing presses. But Congress puts up the money, yet it has no controls.

Mr. SPRINGER. Are you still talking about WETA?

Mr. GROSS. I beg the gentleman's pardon?

Mr. SPRINGER. Are you still talking about WETA?

Mr. GROSS. Yes, station WETA.

Mr. SPRINGER. WETA is an independent, community-owned station over which we do not have any control.

Mr. GROSS. Except to supply some money?

Mr. SPRINGER. I do not think that we, at the present time, are supplying any money to station WETA except that this Corporation would provide them with this programing, and if station WETA wants the programs they will have to go out on the TV.

Mr. GROSS. No money or funds supplied in any way, shape, or form?

Mr. SPRINGER. I could not put it so broadly, I say to the gentleman; but station WETA presently is already in operation.

Mr. GROSS. I understand that. I will say that it certainly is in operation.

Mr. SPRINGER. We do not pay a thing for its yearly support. The yearly support has to be provided from some other source.

Mr. GROSS. There is no question about the fact that it is in operation—not at all—and it seems to be broadcasting the ultraliberal view most of the time.

I am very much interested in knowing the identity of stations that get money under this program.

Mr. SPRINGER. Are you talking about—

Mr. GROSS. I am talking about all of them.

Mr. SPRINGER. Are you still talking about WETA or one that might—

Mr. GROSS. And WETA, too.

Mr. SPRINGER. Is the gentleman still talking about a station that he might want to go on in Iowa City?

Mr. GROSS. I beg the gentleman's pardon?

Mr. SPRINGER. Is the gentleman talking about one you might want to put up in Iowa City?

Mr. GROSS. I am not talking about Iowa City, I am talking about WETA here in the Washington, D.C., area.

Mr. SPRINGER. Station WETA could not, and I can assure the gentleman, it does not get any of these Federal funds for operational expenses at this time.

I cannot tell you whether or not they got funds for building the station.

Mr. GROSS. I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman has consumed 13 minutes.

(Mr. REID of New York (at the request of Mr. SPRINGER) was granted permission to extend his remarks at this point in the RECORD.)

Mr. REID of New York. Mr. Chairman, I rise in support of H.R. 7737, a bill extending assistance for public broadcasting facilities and the Corporation for Public Broadcasting.

This bill would extend the authorization for 3 years for the matching grant program for construction of noncommercial educational radio and television broadcasting through the Corporation for Public Broadcasting. Authorizations of \$15 million are proposed for each of the 3 years. These grants cover up to 75 percent of the cost of acquiring and installing radio and television broadcasting apparatus in furtherance of educational broadcasting.

It is estimated that for every dollar granted by the Federal Government for public broadcasting, State, local, and private sources have expended \$11. A long-range plan for financing the Corporation for Public Broadcasting is now being developed by the administration and should, when implemented, encourage even more private support.

In my view, the quality of our life as a civilized nation demands that we support fully the CPB. Television has become one of our most influential means of communication and education. Surely we must exploit its potential for positive instruction, for public affairs reporting in depth, for enhancement of the arts, for the widest possible dissemination of cultural events. Educational television has made great strides toward this goal, and I believe that approval of the legislation before us will reaffirm the faith of the Congress in its capacity to continue.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the ranking Republican Member on the Subcommittee on Communications and Federal Power, the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL of North Carolina. Mr. Chairman, the gentleman from West Virginia and the gentleman from Illinois have already made an explanation of this bill.

In 1962 Congress enacted a facilities grant program which has been in operation now for these several years offering matching grants to educational broadcasting stations all over the country. Now this is for apparatus. It is not for land and not for the construction of buildings and not for the repair of buildings. These grants have been given to the individual station for apparatus, cameras and equipment which is needed to operate the television station.

Since 1963, to go into a little bit of the record of what happened, over 100 of these educational television stations have been started as a result of this seed money approach, and these ETV's as well as educational radio stations are now located in 47 States. This has been the

seed money approach; \$37 million has been appropriated so far in this program since its beginnings. It is estimated that for every Federal dollar that has been invested in facilities over \$10 have been invested by State, local, and private sources.

So you cannot say that the Federal Government is assuming a lion's share of the development of educational broadcasting in America.

Speaking for my own part, I feel that instructional broadcasting needs to be emphasized. In all fairness I will say that it has been emphasized to a degree in the past, but I believe we are going to have to have more emphasis on instructional broadcasts. I think that instructional broadcasting offers a unique and effective way to improve the quality of instruction in our schools.

I would add, also, that it offers an economical way of bringing quality instruction to not only school people but also to older citizens as well. Of course, in this day of spiraling costs in education, we should be thinking about more economical ways of bringing quality instruction to those of our citizens who need it. And we do need to use the up-to-date, modern technique of television in instruction.

So in view of the success that this program has had since 1962, the recommendation of \$15 million per year is a modest request, and it should be approved by the House of Representatives.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. BROWN), a member of the committee.

Mr. BROWN of Ohio. Mr. Chairman, I would like to make two or three points, and call the attention of the Committee to some things in connection with this legislation on public broadcasting. In the first place, I want to call the attention of the committee to language which appears on page 3 of the committee report, which I urged to be put into the committee report, and the committee was happy to concur. That language points up the importance to this program of instructional television and radio broadcasting.

The point is made, and I think fairly and effectively by the language, that today when the educational field generally is costing so much money and is being, I believe, rebuffed so often by the taxpayers at the local level because of the increasing costs of education, that there is a place for instructional radio and television serving the classrooms in the institution either at the college level, the high school level, or the elementary level. I am pleased that the Public Broadcasting Corporation has gone into the creation of programming for the instructional level of public and private education, because it can provide economies to the taxpayers.

In our own State of Ohio, in southwestern Ohio, the parochial schools of the Catholic Archdiocese of Cincinnati have been obliged to close down the first grade of their elementary schools and are considering closing down other grades and turning those youngsters into the public school system.

One of the approaches that had been considered to forestall this necessity was the creation of a network of public broadcasting stations and receivers and boosters over southwestern Ohio, which would serve the parochial schools and therefore reduce the cost of education in the classrooms. However, there was not enough money or not enough enthusiasm in the last administration for this idea, and the grant was not made so that the funds were not available to the schools in that area.

Another example I would like to cite is of the Ohio University in southeastern Ohio, where many of the local public schools in that area of our State are to some degree deprived economically. These schools have had available programming for high school instruction purposes from the Ohio University station.

There is a great promise here of economies in public education that might inure to the general public from a proper emphasis on instructional programming in educational television and radio.

The gentleman from Iowa asked whether stations are benefiting directly from the public broadcasting program we are discussing today. The answer to the question is that they are if they get construction grants, and then indirectly they are if programming is prepared by the Public Broadcasting Corporation and is part of their programming usage, or if they get a direct grant from the Public Broadcasting Corporation so that they can develop a program of their own.

The fact of the matter is that these programs are only in the broadest sense educational. They are not necessarily instructional for the classroom, but only educational by broad interpretation. This program ought to be called not public broadcasting but rather noncommercial broadcasting, because the limitation really is that the stations be non-profit stations or noncommercial stations in that they do not finance their operation from advertising revenues and that they not garner revenue from the sale of time on the station.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman from Ohio for yielding.

I would like to ask the gentleman if under the formula the gentleman has set forth, the preparation of news programming on a station such as WETA, channel 26 in Washington, could by any stretch of the imagination be subsidized by funds from this bill?

Mr. BROWN of Ohio. I cannot specifically say, I do not know whether WETA in Washington was the recipient of any kind of grant from this program for its construction, and I must say I do not know whether directly it is the recipient of a grant for developing any kind of educational programming. It probably develops its news programs from its general budget, which comes from donations, subscriptions, and that sort of thing.

If it uses programming which is prepared or encouraged by the Public Broadcasting Corporation and sent to the station, then it would be the recipient of



some of the largess out of the funds set up here.

Mr. GROSS. Mr. Chairman, I think it is strange that the Washington Post, for instance, being a known ultraliberal newspaper—often referred to by other names, which I will not repeat on the House floor—dominates a recently initiated news program over WETA to the exclusion of any conservative purveyors of news.

I have had a little experience in news gathering and broadcasting, and I doubt that the Washington Post was ever accused of even approaching the conservative side of anything. I want to be sure that none of the funds appropriated by Congress for educational purposes go into the financing of news broadcasts or any other kind of broadcasts that represent leftwing views exclusively. That is all.

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman from Iowa for his comments.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield? I believe that the question deserves an answer.

Mr. BROWN of Ohio. I yield to the ranking minority member of the committee, the gentleman from Illinois (Mr. SPRINGER).

Mr. SPRINGER. Money received under this bill does not go into news broadcasting of conservative, middle of the road, or left wing—any news broadcasting, unless under a grant program from the Corporation.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, the gentleman from Ohio says that funds may well be used for programing purposes. This is programing of news.

Mr. SPRINGER. Just a minute. It is not that programing per se. The only programing the funds are used for is by the Public Broadcasting Corporation, of which John Macy is the president and of which this distinguished panel of eight Democrats at the present and seven Republicans—which soon will be eight Republicans and seven Democrats—is the Board.

The CHAIRMAN. The time yielded to the gentleman from Ohio has expired.

Mr. SPRINGER. Mr. Chairman, I yield the gentleman 2 additional minutes.

I want to assure the Members that none of these funds are used for any news broadcasting per se. The only thing they are used for is programs produced by the Public Broadcasting Corporation.

Mr. GROSS. If the gentleman will yield further, the gentleman mentioned the name of John Macy. I assume he is the estimable gentleman who was the former Chairman of the Civil Service Commission, who wore two hats when he was in the service of the Government in recent years; one as adviser on political appointments to the then President Johnson and the other as Chairman of the Civil Service Commission. To my certain knowledge he was not a conservative at anytime on anything, and I do not mean that as a personal reflection on Mr. Macy. I do insist that where funds of all the taxpayers are being spent that conservative as well as liberal views be presented.

Mr. SPRINGER. All I can say to the

distinguished gentleman is I have been watching Mr. Macy rather carefully. I do not consider myself to be a liberal, and I believe Mr. Macy has been very fair so far.

Mr. GROSS. I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, I yield 3 additional minutes to the distinguished gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman from Illinois and the gentleman from Iowa for their contribution.

I should like to get two other factual considerations on the Record.

First I should like to put into the Record the amount of money that has been authorized for this program, the amount of money appropriated, and the amount of money spent.

For facilities in 1968, \$10 million was authorized. The appropriation was, if I am correct, \$4 million.

In 1969, \$12.5 million was authorized and \$4 million appropriated.

In 1970 the proposal is for \$15 million to be authorized. Of course, the figure on appropriations is not available yet.

For programing under the Public Broadcasting Corporation the authorization in 1968 was \$9 million. The Public Broadcasting Corporation was not formed; that is, the trustees of that Corporation were not named in time for any money to be spent, so no money was appropriated.

In 1969 the authorization was repeated at \$9 million; \$5 million was appropriated. The figure on the spending is still not finalized, but the assumption is that approximately that amount will be spent.

The committee is asking \$20 million to be authorized for programing by the Public Broadcasting Corporation in this fiscal year.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I am glad to yield to the gentleman from Indiana.

Mr. DENNIS. This is not a field in which I claim any expertise at all; but on that point I have been reading the report. Apparently, as the gentleman says, they actually had \$5 million last year. Now, apparently, the administration is asking only for \$10 million.

Mr. BROWN of Ohio. That is correct.

Mr. DENNIS. And says they believe this bill should be amended to provide \$10 million. I cannot help wondering why the committee—and particularly, I may say, the minority on the committee—is coming in here with a request for twice what the administration wants.

Mr. BROWN of Ohio. I appreciate the comment from the gentleman from Indiana. He presumed a statement that I was about to make and that is I shall not offer an amendment to reduce the amount from \$20 million to \$10 million. However, I do intend to incorporate that reduction in the motion to recommit. But in the interest of time I see no point in offering the amendment so as to live within the administration's budgetary recommendation.

Mr. DENNIS. I appreciate the gentleman's answer and it certainly makes me feel better about the bill.

Mr. BROWN of Ohio. And, if I may say one final thing in this connection, it

is this: The problem with this whole appropriation or authorization is that there is a great deal greater demand for construction funds that we are authorizing or that are likely to be appropriated. The figure is generally estimated to be in the neighborhood of \$30 million for facilities. But there is no great clear picture as to what is needed for programing purposes, because the Public Broadcasting Corporation is only just beginning to get organized and, really, as yet has no great clear direction as to where it is going.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the chairman of the committee.

Mr. STAGGERS. I would like to say to the gentleman from Ohio, if I may, that he has made a good statement. However, I would like to further say in regard to the \$20 million that the new Administrator came before the committee and laid down a program as to why he needed the \$20 million and how the whole committee had agreed that it would be spent. You will find that on page 6 of the report. It is also in the hearings. When this matter was pending before the other body a program was laid down there and they voted for the \$20 million authorization. This was after the budget had been approved and before they had been organized. However, I think the Nixon administration would have been asking for the \$20 million if they had known what was going to be scheduled and programed. Representatives of the administration have signified to us the fact that they will come up for the full funding later. This is for only 1 year, and that is all.

Mr. BROWN of Ohio. I appreciate the gentleman's comment. I think we have differences of opinion, Mr. Chairman, as to the value of the program as it was laid out by the committee.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. SPRINGER. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. FISH).

(Mr. FISH asked and was given permission to revise and extend his remarks.)

Mr. FISH. Mr. Chairman, the Corporation for Public Broadcasting was established by Congress to do many tasks in education and in working with minorities in the cities—tasks which must be done. The Corporation is a national resource which is not now being fully used.

In its first year of existence it expended the majority of its limited funds—\$7 million—to support individual stations in all parts of the country. These stations are vitally important to giving schoolchildren the best possible instructions for the least possible cost, no matter where they live. I am particularly anxious to see the results of the work of the Children's TV Workshop, which has designed a program for preschool children which will begin November 10. This, it seems to me, is excellent use of the TV medium in helping prepare young children for school, especially those from disadvantaged families.

Everyone knows that TV cannot replace teachers and the need for additional classrooms, but it can certainly help to keep costs as low as possible while bringing the best teachers available to students even in our smallest schools.

Mr. STAGGERS. Mr. Chairman, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Massachusetts (Mr. MACDONALD), who has handled this bill for the last two occasions when it has been before the committee.

(Mr. MACDONALD of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. MACDONALD of Massachusetts. Mr. Chairman, I shall not impose upon the time of the Members here because the bill has been very thoroughly and well presented by earlier speakers from both sides of the aisle.

However, I would like to make just a couple of points that have been raised which I think should be emphasized. One is that in my time here we always hear about seed money. But, this is one of the rare occasions in which seed money has really worked, because over a geographical area of some 47 States every dollar that the Federal Government has granted we have gotten back \$11 in local funds and by local participation. So, I think it is clear that this has been a very well-devised program.

Mr. Chairman, the program had some difficulty in getting off the ground and that was due to a number of reasons which have been touched upon. But I now feel we have a very strong head of the program and that they are now well organized and in my judgment we of the Congress have promised these dedicated people much but have not delivered them very much. On the contrary, I think they have promised not very much but they have delivered a good deal.

Certainly, because of the scope of the program, as was mentioned by the gentleman from Illinois (Mr. SPRINGER) and my colleague on the subcommittee (Mr. BROYHILL of North Carolina), I think that this program should be funded in a way that will permit it to operate properly.

Indeed, there are those of us who sometimes are disappointed in some of the programs that we see on this embryonic new method of communication here in the United States. As I say, we sometimes are a little disappointed, but I do not think we should be disappointed because we do not give the people who are carrying out the nitty-gritty of this academic cultural and educational program the wherewithal to do the things that they want to do and can do so well.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from New York.

Mr. FARBSTEIN. Mr. Chairman, I would ask the gentleman has the committee at all considered in connection with the funding and financing of this program the media that is earning untold millions as a result of being granted

licenses for television, advertising, and manufacturers of television sets sharing part of the cost of educational TV?

Mr. MACDONALD of Massachusetts. The permanent funding aspect of this entire program has been uppermost in the committee's mind ever since its inception, and every time the people from the Public Broadcasting Corporation come up we ask them and urge them to get together and to come up with some permanent financing.

As I tried to indicate earlier, much of the changeover in personnel, as well as the change in administration, and so forth had left a void for a time, but I think that void is now filled, and I think they will come up, as we have urged them to, with a permanent plan for funding.

Certainly what the gentleman suggests has some merit. That would be one of the obvious recommendations.

I would like to say in defense of the commercial broadcasters, which I take it the gentleman from New York is talking about, that one of the national networks contributed a large sum of money to get this public educational broadcasting off the ground. Also I think that all of the networks testified before us in favor of the program, and I think they have been more than reasonable in trying to help this program.

Perhaps what the gentleman from New York suggests has a good deal of merit, and I can guarantee that the members of the committee will further pursue the matter with the public broadcasting people when they again appear before us on whether they can come up with some sort of a permanent, fixed financing basis.

Mr. FARBSTEIN. If the gentleman will yield further, may I inquire whether or not it is the intention of the chairman of the subcommittee that just addressed himself to me that he will hold hearings on the question of contribution or payment of the cost of public TV by the media and by the manufacturers of TV sets?

Mr. MACDONALD of Massachusetts. I will repeat to the gentleman he presents a very logical and good point and that the committee will look into it to the best of its ability.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD of Massachusetts. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I would share the concern of the gentleman from New York in this area, because this was one of the promises that we had last year when the first appropriation was made to the Public Broadcasting Corporation, that if this were established, we would not be asked for another trip to the Public Treasury and that we would have a recommendation as to the method of permanent financing of the Public Broadcasting Corporation from sources other than the general revenues of the Treasury. Now here we are once again dipping into the general revenues of the Treasury.

The suggestion has been made that we have taxes on TV stations or some other form of taxation, user taxation, if

you will, or some other form of encouraging contributions. Certainly that needs to be done if the independence of this operation is to be served, as suggested in the Carnegie report, if one of the desirable things of the Public Broadcasting Corporation is going to be encouraged, at least the Carnegie report says so, that would stimulate this whole development, that we would come up with some kind of extra-Treasury method of financing public broadcasting, but so far we have not.

I would like to say to the gentleman and also to the chairman from Massachusetts and the chairman of the full committee that I for one am being rather subdued in regard not only to my concern about his program this year, because I think there have been problems on getting the thing in gear and organized, but in the future I have no intention of being quite so subdued if we do not come up with some other method of financing.

Mr. MACDONALD of Massachusetts. Mr. Chairman, I thank the gentleman for his contribution.

Mr. Chairman, the legislation before us today, the Educational Television and Radio Amendments of 1969, helps build upon the grand design erected by the 90th Congress when it enacted the groundbreaking Public Broadcasting Act of 1967. H.R. 7737 authorizes appropriations for interim financing for the Corporation for Public Broadcasting—established to provide publicly funded support for the Nation's growing educational broadcasting systems. The bill also provides an extension of authorizations for an ongoing program of facilities and equipment grants for the establishment and improvement of educational broadcasting stations.

The facilities-grants program predates the Public Broadcasting Act of 1967. Under a program authorized by Congress in 1962, the Department of Health, Education, and Welfare has offered matching grants to individual stations and statewide systems of stations to help finance needed equipment purchases. The funds, which are not used for acquisition of land or buildings, have enabled educational stations to purchase expensive broadcast-quality equipment necessary to compete for viewers' attention. The HEW grants have, more importantly, made possible the establishment of whole systems of new educational stations, fostering the creation of State educational broadcasting networks.

The HEW program has long been judged one of the most successful of its kind. Rare is the congressional district that has not already felt its beneficial impact. As the program continues to stimulate the growth of educational broadcasting, practically every Congressman will find his constituents served with a useful and attractive supplement to commercial broadcast fare.

The HEW program has achieved its exemplary results with small authorizations and even small appropriations. No one could successfully argue that this has been a swollen program. In fact, the need—as evidenced by the always large and growing backlog of applications—

has from the start outdistanced the funds available. The authorizations proposed in the present bill are modest. They equal, for each of the next 3 fiscal years, the same amount currently authorized for the present fiscal year—\$15 million. This is the level suggested by the administration. There was no opposition to the program expressed during the subcommittee hearings on the legislation, which I conducted.

Under the terms of the program, grants may cover up to 75 percent of the costs of purchasing and installing broadcast equipment. Local and State financing is needed for all of the costs of land and construction or repair of buildings. In any 1 year, no one State can receive more than 8 1/4 percent of the available grants appropriations. Because of these limitations, there is a level below which appropriations may not be cut without placing the program in danger. Broadcast-quality equipment is not inexpensive, and to provide a meaningful improvement in the over-the-air transmission quality it is usually necessary to upgrade a whole series of related components. Thus improvements usually cannot be made piecemeal. Stations find themselves confronted with the necessity of making major improvements or doing nothing.

In the case of putting new stations on the air, the cost picture is even more indivisible. In order to insure that the benefits of the program have a wide geographical distribution, as the law requires, it is necessary to provide sufficient total funds so that realistic improvements at the level of the individual stations can be financed.

Because of the successful record and widespread popularity of the grants program, I would expect no member to oppose the present extension of authorizations.

Section 2 of the legislation would authorize an appropriation of \$20 million for the Corporation for Public Broadcasting. Of the several titles in the Public Broadcasting Act of 1967, the one that established the Corporation broke truly new ground. The aim of the Corporation's designers and supporters was to fill out the aid provided by the facilities program with parallel support for the production and distribution of equality educational and public-service programming.

The Corporation was seen as a vehicle by which contributions from the private sector—viewers and philanthropic support—could be augmented with Federal funds. Several important considerations—which still stand today—guided the architects of the Corporation. One was that the need for funds greatly exceeded the level that could reasonably be expected from voluntary contributions. Another was that the benefits from a greatly improved and expanded public broadcasting system would flow so generally to the Nation as a whole that a Federal contribution would not only be proper but appropriate.

A third consideration was the need, if Federal funds were to support the production of programs, to provide insulation from political pressures that might be brought to influence the content of

programs. It was to this end that a special corporation was conceived, chartered by act of Congress and guided by a blue-ribbon panel of presidentially appointed directors, chosen for their independence of judgment. In addition, it was planned that a form of permanent financing should be devised that would free the corporation from possible pressures stemming from the annual appropriations process.

It was foreseen at the time that devising a plan acceptable to the administration, the Congress, and the educational broadcasters would be difficult and time-consuming. In the interim, it was decided to establish the Corporation with limited funding, so that it could begin its work in an orderly manner, and, with the expertise it could develop, play a leading role in the creation of a practical long-term financing proposal. In the process, the Corporation's projects could begin to bring benefits to the viewing public. With these ends in mind, Congress decided that, to start, Federal funding would be provided by direct appropriations. The Public Broadcasting Act of 1967 authorized \$9 million, of which \$5 million was appropriated.

These funds, together with approximately \$2 million in private funds, provided the Corporation's first year operating budget. Meanwhile, the change in administrations brought an understandable delay to the program of devising a permanent financing plan. Because of this, the Corporation has sought a direct appropriation for fiscal year 1970.

The Corporation, now organized and staffed, is seeking to implement the will of Congress by promptly developing effective programs to meet current pressing national needs. First-priority areas are to strengthen local stations so as to increase the quality and quantity of local programming; interconnection of public broadcasting stations into regional and national networks, to maximize impact and give immediate distribution to worthwhile programs; and in program development to focus particularly on the creation of quality television fare for young audiences—especially preschool children.

To achieve its modest but important goals, the Corporation is seeking an appropriation of \$20 million, which it expects to augment with \$4 million of private funds. The budget submitted by the outgoing Johnson administration provided for a \$20 million authorization. The incoming Nixon administration, new to its complex tasks, suggested \$10 million for the Corporation in a revised budget. Administration witnesses noted that the bill before the subcommittee, as passed by the Senate, did not accord with the administration's formal request, but did not actually oppose the higher figure. All the witnesses before the subcommittee expressed wholehearted approval of the Corporation's purpose and aims. Many asked that the authorization be set at \$20 million or higher. The measure was reported from the subcommittee and the full Committee on Interstate and Foreign Commerce with no dissent.

Supporters of the Nation's effort to strengthen our system of public television

strongly hold that failure to support the Corporation's crucial early efforts would spread damaging waves throughout the ranks of educational broadcasters, adversely affecting the levels of local voluntary support and rendering it increasingly difficult to attract and hold quality personnel. The dedicated pioneers in educational broadcasting have long—too long—lived on promises. Even the most dedicated must occasionally give thought to their own future. The passage of the Public Broadcasting Act was an affirmation that their pioneering labors were not in vain. As their hopes were buoyed, so were the hopes of millions of viewers that progress at last might begin to reach the potential. Eyes are on Congress today, watching to see that the promise is not broken.

Mr. Chairman, I urge the wholehearted support of the present bill. A plan for permanent financing will emerge; one is now taking shape in consultations among the experts in public broadcasting and in the administration. Congress will have full opportunity to make the final decision. But meanwhile we can proceed to bring the benefits of our extraordinary technology to all the people. The program seeks modest funding. We should take a key step in providing it.

In closing, I would just like to say I think that we, the Congress, owe these people a chance to prove what they can do. I certainly urge our colleagues to go ahead with them.

[Mr. CELLER addressed the Committee. His remarks will appear hereafter in the Extensions of Remarks.]

Mr. STAGGERS. Mr. Chairman, I yield to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I thank the gentleman for yielding.

As the distinguished chairman knows, in my State our first educational TV station will start broadcasting after February 1, 1970.

In Mississippi, in setting up the education television, we took the State approach. The State legislature set up the Mississippi educational television board made up of educators, business, industrial, and labor leaders.

There has been some concern by educators in my State and also by the State legislature as to what effect and what controls will HEW and the Corporation of Public Broadcasting have on the programs that we will initiate and run in Mississippi. Will they try to tell our people down there what type of programs they should run?

Mr. STAGGERS. The act provides that they may not force any program on any station anywhere in the land. They are attempting to cooperate in bringing to the people of Mississippi and to the people of other States good and worthwhile television programs.

Public television stations in the several States are, and will continue to be, free under the Public Broadcasting Act of 1967 to refuse to transmit any program developed by the Corporation for Public Broadcasting.

Mr. MONTGOMERY. I thank the gentleman. As I understand the chairman, he has answered my question. In the past, these two parts of the Federal Govern-



ment that I mention have not in any way influenced the programs of educational television in other States, and as far as the Chairman is concerned, in the future under this act no steps will be taken by HEW or by the Corporation of Public Broadcasting to influence the type of programing that will be carried on in the different States.

Mr. STAGGERS. The provision is in the act that that cannot be done. That is part of the law.

Mr. MONTGOMERY. I thank the Chairman for answering my question.

Mr. STAGGERS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas.

Mr. ECKHARDT. I thank the chairman. I wish to recognize his good work and that of the able gentleman from Massachusetts, the chairman of the subcommittee in this field, in preparing this bill and presenting it to the House. I certainly do endorse it fully. I have an unusual interest in this matter because station KUHT-TV of the University of Houston was, I believe, the first educational television station in the Nation under this program.

I also wish to recognize the very able statement of the distinguished ranking minority member, and commend particularly, his reference to the nonpartisan board. The nonpartisan board includes a very distinguished citizen of my community, Mrs. Oveta Culp Hobby, who was formerly a member of President Eisenhower's Cabinet.

Educational television is blessed with many outstanding administrators and creative minds. It utilizes the most powerful tool of communication ever devised. Increased funding of educational television will permit it to provide a service of increasing diversity and quality. I think that quality, that diversity, and that nonpartisan nature has been exemplified by the station in Houston.

Mr. STAGGERS. Mr. Chairman, I yield whatever time he desires to the gentleman from Texas (Mr. PICKLE).

(Mr. PICKLE asked and was given permission to revise and extend his remarks.)

Mr. PICKLE. Mr. Chairman, I rise in support of H.R. 7737.

I endorse the ideas and the actions incorporated in H.R. 7737, the assistance act for public broadcasting and the corporation for public broadcasting. This appropriation is reasonable and it is entirely fitting that Congress extend the assistance program.

Since the Educational Television Facilities Act became effective in 1963, more than 100 additional public television broadcasting stations have gone on the air making a usable public broadcasting signal available to over 50 million new viewers. In a relatively short period of time, these stations have developed in-depth programing that gives viewers a constructive and balanced educational vehicle.

KLRN-TV which broadcasts in Austin and San Antonio is a prime example of the potential offered by educational television. With facilities at the University of Texas KLRN not only broadcasts some excellent instructional programs, and

quality drama—but this educational station is a living workshop that trains university students interested in broadcast careers. It is because of the work by such stations as KLRN that I support this bill today.

Dozens of men and women in our cities have served and are serving in advisory capacities, giving time and energy and money toward the advancement of public broadcasting. Because of this contribution, and because the stable and practical leadership given by the station personnel our educational television station is rendering a great service. We must help it move along.

Mr. STAGGERS. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Chairman, I rise in support of this legislation. There is no question that education television offers this country a very significant breakthrough in meeting some of the needs of our education system. My Subcommittee on General Education earlier this week had occasion to preview an excellent program that will premier on November 10, and will be made available to all educational stations across this country, called "Sesame Street." It is a 1-hour program in full color. It will be made available to these stations, and it will be directed primarily at young children of the 3- to 5-year age group, preschool youngsters. So far as I know, this is the first electronic headstart program that we will have in this country. It will be available every day, 5 days a week. It is so good that in my own city, station WTTW, will show this 1-hour program three times a day to reach the largest audience possible of young children to prepare them for entry into the elementary school.

Certainly, Miss Joan Ganz Cooney of the Children's Television Workshop of National Educational Television and her associates did a great job. This program has particular appeal to young children and will teach them such things as the alphabet, how to relate numbers and many other interesting features for preschool youngsters. It is produced with such deep understanding of young children that it promises a very high rate of interest retention for preschool children.

I predict that this program will give the commercial stations a real run for their money on the ratings. This shows that educational television is moving.

Of course, we are very pleased that Public Broadcasting Corporation has selected one of our distinguished citizens from Chicago, John Macy, as its President.

We in the Education Committee are concerned about how to finance the educational needs of our country and we see in educational television a very significant breakthrough for the people of America.

One final word. There was a colloquy earlier on the financing of newscasts. It is true that WETA in Washington has been given \$36,000 in a grant from the Public Broadcasting Corporation to help finance the program "Washington Week in Review." This program is being put together by four highly competent and independent newsmen in Washington. It

is available to educational stations across the country as a weekly review of happenings in Washington.

I am mindful of the fact this is a dangerous field we are in, and we have to maintain constant surveillance to insure that we do not set up a publicly financed news agency. On the other hand, education television stations should not be denied the opportunity to have a good news program for their viewers.

I think as long as we use good, respectable, highly competent, and unbiased newsmen to prepare this, we ought to give it a chance. We will always have a chance to review these programs if we feel there are abuses.

Mr. Chairman, I congratulate the chairman of the committee for bringing this legislation to the floor for consideration today.

Mr. STAGGERS. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. FARBERSTEIN).

Mr. FARBERSTEIN. Mr. Chairman, I thank the gentleman from West Virginia for yielding.

I appreciate that the heart of the chairman is in the right place. Perhaps this bill is not a good vehicle for it.

Mr. Chairman, I am also very gratified that the chairman of the subcommittee, in answer to my query, said there will be consideration of financing of this program in the future. I say this especially because in the congressional declaration of policy it does not say a word about the fact that the media, which have been earning untold millions, should contribute to public and educational television. There is nothing there about a user's tax. There is nothing there about a trust fund being created for this purpose. Why should the taxpayers' money be used for these purposes? Why should the gentleman from New York (Mr. CELLER) be compelled to contribute toward educational television?

Mr. Chairman, the Corporation for Public Broadcasting was established in 1967 to stimulate the development of educational TV. It was established as a result of the recommendations of the Carnegie Commission on Educational Television. The commission had recommended a Corporation to provide financing for educational TV. It estimated in January 1967 that \$270 million a year would be needed to develop a viable system of educational TV. The appropriations process, it suggested, could provide interim financing for the Corporation, but at a very low level. A permanent financing mechanism was required to provide anywhere near the \$270 million a year. Such financing should be independent of the appropriations process to keep educational TV free of political pressure. It suggested a media tax to be paid into a trust fund. The Ford Foundation took a similar position. It recommended the establishment of a satellite system for noncommercial TV which could return some profit.

Congress put off the longterm financing question and enacted—in 1967—a bill to establish a Corporation with limited annual financing. At that time I offered an amendment to put Congress on record in support of a media tax and to re-

October 9, 1969

quire the FCC to report back on the idea. It failed. The chairman of the committee said that no hearings had been held on the question.

The next year—1968—on a bill to extend the Corporation an additional year, I offered a similar amendment. Again the chairman said no hearings had been held and that the administration was working on recommendations. In the meantime, the Corporation has been operating on a budget of approximately \$14 million compared to the \$270 million the Carnegie Commission estimated would be needed to operate adequately in any one year.

Since then Prof. Dick Netzer of NYU has put out an excellent study recommending specific permanent financing of educational TV and the Commission on Violence has called for permanent financing of educational TV.

But still nothing has happened. The administration will announce, I understand, a rather weak recommendation for permanent financing when the bill before the House today is signed by the President, but it is not going to be much.

Mr. Chairman, I insert at this point in the Record excerpts from the 1967 Carnegie Commission report, the Violence Commission's report on television, and the Netzer study to illustrate the recommendations and hard thinking which have been made with respect to the need for permanent financing for educational television.

[From "Public Television: A Program for Action, the Report and Recommendations of the Carnegie Commission on Educational Television"]

#### THE COMMISSION PROPOSES ENLARGED FEDERAL SUPPORT FOR PUBLIC TELEVISION

We recommend that Congress provide the Federal funds required by the Corporation through a manufacturer's excise tax on television sets (beginning at 2 percent and rising to a ceiling of 5 percent). The revenues should be made available to the Corporation through a trust fund.

In this manner a stable source of financial support would be assured. We would free the Corporation to the highest degree from the annual governmental budgeting and appropriations procedures: the goal we seek is an instrument for the free communication of ideas in a free society.

The excise tax will provide the Corporation with approximately \$40 million of federal funds during its first year of operation, rising gradually to a level of \$100 million a year. We propose that the rate be raised to 3 percent, bringing in \$60 million, after the first year. The commission intends these revenues to be added to those available from other federal, local, and private sources to be used primarily for the support of programming for Public Television. We recommend that federal agencies continue to make grants to educational television stations for special purposes.

[From "Commission Statement on Violence in Television Entertainment Programs," National Commission on the Causes and Prevention of Violence," Sept. 23, 1969]

We offer one recommendation to the President and the Congress:

Adequate and permanent financing, in the form of a dedicated tax, should be provided for the Corporation for Public Broadcasting so that it may develop the kind of educational, cultural, and dramatic programming

not presently provided in sufficient measure by commercial broadcasting.

We believe, as the Public Broadcasting Act of 1967 states, "that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programming which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence," and "that it is necessary and appropriate for the Federal Government to complement, assist, and support a national policy that will most effectively make noncommercial radio and television service available to all the citizens of the United States." We suggest financing by means of a dedicated tax because we believe that public television must be free from the political pressures that result from the need for annual federal appropriations.

Public broadcasts can be a much needed alternative to commercial programs. It is generally assumed that commercial television caters to the public taste. But television also creates the public taste. If a wide range of wholesome entertainment and public service programs is offered as an alternative to the current fare of entertainment violence, it is likely that this will effect changes in public tastes and ultimately make violent television programs less commercially attractive. But this longer-term possibility does not relieve commercial television of the responsibility to reduce now the volume and change the character of its violent programs.

#### NATIONAL CITIZENS COMMITTEE

##### FOR BROADCASTING,

New York, N.Y., April 1969.

*The President and Congress of the United States:*

The greatest communications resource man has ever known continues to be polluted and to pollute the public's airwaves—for private gain. One answer to the staggering problem of airwave pollution and its desensitizing of the American spirit is a free and healthy non-commercial broadcasting system, which has come to be called Public Broadcasting.

Dr. Dick Netzer's report welds a combination of long-range financing proposals for Public Broadcasting into a single package free of any real or fancied domination and funded largely by those who profit most from the use of the public's airwaves. The plan is stable and the sums it would bring forth are substantial enough at long last to make non-commercial broadcasting technically, professionally and competitively capable of serving the whole public with the informational and cultural diversity to which all of broadcasting is called and to which so little of broadcasting responds.

In January, 1967, the Carnegie Commission said that a strong Public Broadcasting system would require \$270 million annually. The first Congressional appropriation to the Corporation for Public Broadcasting, for fiscal 1969, was a disappointing \$5 million. This in times when the revenues of the publicly-licensed commercial broadcasters are at their highest and the fulfillment of their responsibilities is at their lowest.

Professor Netzer's plan is based on all the various recommendations put forward for long-range financing of Public Broadcasting which were carefully studied by the trustees of the National Citizens Committee for Broadcasting before they turned their materials over to Professor Netzer for his objective evaluations and conclusions. It is entirely his report; the trustees concur with his conclusions entirely.

We believe the plan's moral applicability to our time ought to be a decisive factor for adopting it. We hope men of vision in broadcasting will endorse it. We know the public

will support this immediate route to better broadcasting. We ask your action to see that it—and a free and healthy Public Broadcasting system—becomes a reality.

Respectfully,

The board of trustees of the National Citizens Committee for Broadcasting: Shana Alexander, Milton R. Bass, Harry Belafonte, Charles Benton, William B. Branch, Rev. Robert F. Drinan, S. J., Richard Eells, Ralph Ellison, John D. Entenza, Phillip Gainsley, John Kenneth Galbraith, Brendan Gill, Nathan Glazer, Robert Goodman, Henry Clay Hofheimer II, Marshall M. Holleb, Thomas P. F. Hoving, Marya Mannes, Robert Montgomery, Earle K. Moore, Gerard Piel, Walker Sandbach, Charles A. Slepman, Mrs. David E. Skinner, June Wayne.

#### LONG-RANGE FINANCING OF PUBLIC BROADCASTING

(By Dick Netzer, professor of economics, head, All-University Department of Economics, New York University)

##### SUMMARY

Public Broadcasting, for its long-term financing, requires support that is adequate in amount, stable but growing over time, and reasonably free from undesirable economic side effects. The financing mechanisms must provide protection against political and economic interference with programming.

Proposed non-governmental financial devices, although attractive in some respects, simply are not adequate in the amount of funds they can provide, individually or in combination. The use of Federal taxing powers is essential, but to insure independence, any taxes or charges levied by the Federal government for Public Broadcasting should be paid into a trust fund and removed from the annual appropriations process.

The best of the tax devices considered here is a gross receipts tax on commercial broadcasting: at a 4 percent rate, it could yield over \$120 million a year. This should be supplemented by a system of charges for access to the radio spectrum, collected by competitive bidding for licenses or otherwise, with the proceeds also paid into the trust fund.

On the non-governmental side, there is an extremely strong case for adoption of the Ford Foundation proposal for a broadcasters' non-profit satellite system to provide both cash and free service for Public Broadcasting. Also, Public Broadcasters should have the authority to accept limited amounts of advertising and to experiment with subscription television, to further supplement and diversify their sources of revenue.

The highest priority, however, is the establishment of the trust fund and imposition of the broadcasting gross receipts tax, to be paid into the trust fund.

This study explores a variety of possible ways to place the financing of Public Broadcasting on a stable, long-term basis. Two assumptions underly the analysis.

First, it is assumed that the funds required are substantial—in the order of the \$270 million annually recommended by the Carnegie Commission (which compares to the nearly \$4 billion spent for television and radio advertising in 1967). Second, it is assumed that financing of this magnitude cannot conceivably be provided by use of the begging bowl; no combination of private philanthropy, sporadic Federal appropriations and even more sporadic state and local government financial assistance will permit Public Broadcasting to develop more than a small fraction of its potential. This is not to exclude the role of philanthropy or independent fundraising, but rather to state that the basic support for an adequate system of Public Broadcasting must be assured in a more dependable way.

## CRITERIA AND ISSUES

Any system of long-range financing must have two basic attributes. It must provide funds that are reasonably adequate in amount. And the flow of funds must be stable and relatively assured, to permit the long-range planning and program development that is essential. Moreover, assurance of financing is necessary to insulate Public Broadcasting from the adverse pressures sure to be stimulated by free exercise of imagination and intellect in program content.

Ordinarily, in our society, freedom of expression of opinion and ideas in the arts, letters and sciences is protected by the existence of large numbers of channels of expression and by the very diversity of the sources of economic support. However, the technical characteristics of the radio spectrum limit the numbers of channels of expression far more rigorously than is the case for the printed word, the other performing arts or the graphic arts. In addition, the costs of production in broadcasting can be very high indeed, relative to other communications media. Therefore, a suitable financing system needs built-in insulating devices.

There are several other criteria an ideal financing system should satisfy. For one thing, the costs of Public Broadcasting surely will rise over time, as salaries rise and as new opportunities for service unfold; a superior financing system will provide growing amounts of money over time, more or less automatically. Second, the financing system should not have harsh economic effects on the rest of the broadcasting industry or on other forms of communication. Third, the financing system should not bear heavily on the poorer segments of the country's population. Fourth, an ideal financing system would be demonstrably sensible, in that there would be some clear linkage between benefits and payments—those who provide the funds ideally should also receive benefits from Public Broadcasting or from related activities in the communications field.

No financing device can satisfy all these criteria perfectly. It is necessary to "trade-off" among the criteria, to find one or a package of financial sources that comes closest to the ideal.

This list of criteria suggests that the following are the basic issues:

(1) Can the job be done with financing devices *other than* the use of governmental revenue-raising authority? Such devices might include the sale of services by Public Broadcasting (for example, pay-TV or acceptance of advertising) or revenue from assignment of monopoly powers to a quasi-public agency responsible for Public Broadcasting (for example, domestic satellite transmission). Clearly, if such arrangements were workable, they would have the advantage of affording a considerable degree of insulation from political pressures. They also tend to exhibit desirable linkages between benefits and payments.

(2) If governmental revenue-raising devices must be employed (as this study concludes), how can Public Broadcasting be assured of a stable flow of funds, free from political pressures and uncertainties?

(3) Assuming that the necessary insulation can be provided, which governmental revenue devices most nearly satisfy the other criteria?

## FINANCING NOT DEPENDENT ON TAXATION

Unquestionably, there are non-governmental financing devices which can produce significant amounts of revenue. The doubts regarding such financing relate to whether these devices alone can produce sufficient revenue and whether, even if they can satisfy this criterion, they do not do violence to the other criteria.

Take, for example, pay-TV. It has some merits as a financing device, but its demerits are such that it should be no more than a marginal supplementary source of funds. To

be sure, a national system of subscription Public Television no doubt eventually could attract large numbers of subscribers among upper-income families, for the charges could be very modest relative to the incomes of such families. An annual charge of \$100 on the average would amount to less than three-tenths of one percent of the money incomes of the richest ten percent of American households (those with total money incomes over \$15,000). If half of all such families did subscribe and if half the annual charge was absorbed by connection, administrative and collection costs, Public Television could net nearly \$150 million a year. If only 5 percent of all other (less affluent) families were subscribers, the \$270 million goal could be met.

Consider the drawbacks. First of all, subscription Public Television surely would tend to be, as the illustrative figures imply, an upper-income minority experience. But the fundamental case for Public Broadcasting is that it should *not* be merely yet another cultural experience for the affluent few who even now have access to and participate in a wide range of cultural experiences. It is conceived to be, ideally, a truly mass experience (and far more so than the live performing arts), conferring vast benefits on our whole society, provided that people of varying income levels, tastes and geographic locations have access to it. Public Broadcasting can realize its potential only if access to it is as easy as access to commercial broadcasting.

Second, as a newly offered service competing with existing services (commercial broadcasting and other communications), subscription Public Television inevitably would develop slowly, with considerable geographic unevenness and with great year-to-year uncertainty during the growth period. In short its financial development is likely to duplicate the financial history to date of non-commercial broadcasting—slow, uneven growth and a dire lack of the financial security necessary to plan ahead with confidence. But history makes it clear that Public Broadcasting need to achieve a critical financial mass quickly so that the public can actually see its promise. We know only too well that there is no ready market for any product or service not actually offered, but only hypothesized. Offering a low-quality, under financed service in the early years will guarantee that development will continue to be painfully slow.

Because subscription television does associate financial support of the services with a portion of the benefits generated by Public Broadcasting, there is every reason to attempt to provide some role for subscription television in the financing of Public Broadcasting. For example, it would make sense, if feasible, to charge for occasional special programs of a very costly nature, such as certain facilities are charged for, in otherwise free parks, and fees are charged for special exhibitions in otherwise free museums. Thus Public Broadcasting should be free to experiment with subscription arrangements and indeed should encourage research in subscription-device technology.

But this cannot be the principal financial support for Public Broadcasting, nor should a large part of Public Broadcasting service be offered on a fee-for-service basis.

Another non-governmental financial device might be the acceptance of advertising on a controlled basis. The argument is that commercials can be carefully placed so as not to interfere with program content and that obnoxious forms of television advertising can be avoided. Meanwhile, there is increasing corporate interest in displaying "social responsibility," by supporting public programming; this requires visible evidence of the corporate contribution, for which large corporations will pay handsomely. Analogies are drawn to experience abroad and to the experience of a handful of successful "upper class" FM stations in this country.

The argument duplicates that now being

advanced in Britain, that the BBC television services should accept advertising in a similar fashion. However, BBC would continue to get its basic support from the license fees paid for many years by households, and thus could continue to be quite independent of pressures by advertisers. More generally, experience abroad is a false analogy simply because of the different traditions—that is, the strong tradition of sponsor control here. Moreover, the design for Public Broadcasting is for a system that will ensure a maximum of conflict with advertisers—programming which is controversial, even revolutionary, in tastes, mores and politics.

In addition, the amounts of money are relatively large. At least half of present television and radio advertising expenditure is for consumer products that involve product rather than corporate identification, such as cigarettes, soaps, toiletries and proprietary drugs; another significant proportion is done by relatively small local firms unlikely to be overly concerned with "corporate image." Thus, to raise \$270 million, the remaining advertisers would have to shift 20 percent or more of their advertising from commercial to Public Broadcasting. It is rather unlikely that this will occur. Public Broadcasting, in the next few years, will be offering less than 10 percent of total broadcasting service, usually to little more than 5 percent of the total broadcasting audience. If successful and adequately financed, Public Broadcasting will do better than this as it matures, but advertisers are acutely aware of the current performance of competitive media. Airlines and similar advertisers are unlikely to willingly devote 20 percent or more of their radio-TV advertising budgets to reach 5 to 10 percent of the potential audience. Moreover, since this is a large shift, it is likely to create considerable year-to-year uncertainty, even if the shifts could be achieved eventually. All this suggests that controlled acceptance of advertising may be a useful supplementary source of funds, especially for individual costly programs, but not an appropriate source of basic support.

The most dramatic and imaginative non-governmental financial source is found in the Ford Foundation's ~~1966~~ satellite proposal. The Foundation proposed creation of a broadcasters' nonprofit satellite service, operated by a non-governmental but nonprofit corporation, largely supplanting network transmission by telephone lines and microwave relay. The service would provide free channels for non-commercial television and it would pay over a substantial portion of the commercial broadcasters' projected savings (as compared to present transmission technology) to support Public Broadcasting programming.

The amounts involved are substantial. In its December 1, 1966 submission to the Federal Communications Commission, the Ford Foundation estimated level annual costs of the proposed system at \$29-\$32 million and that this system would replace, if in full operation in 1970, \$60-\$65 million in land-lines transmission costs incurred by commercial broadcasters. Thus, at a minimum, the annual savings in transmission costs would be \$28 million (\$60 million in present costs less \$32 million for the new system) and, at a maximum, \$36 million (\$65 million less \$29 million). These savings could be divided between modest rate reductions for commercial broadcasters and funds turned over to Public Broadcasting. Perhaps \$20 million a year could be available for Public Broadcasting.

The free channels to be provided under this proposal are also of substantial value. The Corporation for Public Broadcasting, in July 1968, stated that present nationwide inter-connection needs for Public Television, to connect 91 points and 160 stations, comprise the eight hours daily from 3:00 to 11:00 p.m. AT&T estimated that such service would

cost, at commercial rates, \$8.7 million a year, under a ten-year contract.

From the standpoint of our criteria, how does the Ford Foundation proposal rate?

(1) As a non-governmental device paying money over to Public Broadcasting on some kind of formula basis and providing free service automatically, it affords significant insulation against political and sponsor pressure.

(2) There is a real linkage between benefits and payments. Commercial broadcasters receive a high-quality service at somewhat reduced costs (compared to present transmission systems); the remainder of the cost reduction is used to support Public Broadcasting which commercial broadcasters, notably the networks, have long maintained to be of substantial benefit to them.

(3) There is strong indication that the benefits, in money and in free service, to Public Broadcasting will rise rapidly over time. That is, increased utilization of the transmission services by commercial broadcasters will generate rising net revenues, and Public Broadcasting itself will be able to utilize an increasing proportion of the free transmission service as Public Broadcasting develops.

(4) The use of the savings from satellite transmission for Public Broadcasting rather than rate reductions for commercial broadcasting can be viewed as a "tax" on broadcasters' expenditure for interconnection cost. An earlier study has concluded that, so viewed, the proposal has few if any economic drawbacks:

"Merely reducing interconnection charges would not substantially improve the industry's structure or enrich the program alternatives it offers to viewers: this is what makes the tax relatively attractive . . . on economic grounds. Using the cost-savings instead to support ETV would do precisely what rate-reduction would not do, and do it openly, directly and in full measure, no need for the far more difficult undertaking of regulating the quality of commercial programming. It would increase the genuine diversity of programming, and in so doing come much closer than the industry does today to maximizing the benefits obtained from the limited spectrum."<sup>1</sup>

(5) Offsetting these advantages, the proposal involves important uncertainties. There are technological considerations; there is the possibility of successful competition from other transmission modes; and, most of all, there is the present uncertainty whether the proposal will be adopted at all, uncertainty on grounds quite aside from the financing of Public Broadcasting.

(6) The proposal clearly cannot be the sole support of Public Broadcasting (nor has the Ford Foundation so argued). It will not provide more than 10 percent or so of the money needs of Public Broadcasting at the Carnegie Commission scale.

#### Conclusion

The three main non-governmental financial sources that are conceivable—subscription television, controlled reliance on advertising and the Ford Foundation satellite proposal—each have some attractive aspects. But subscription television and advertising must be used sparingly, if the potential of Public Broadcasting is to be realized, and this limits them severely as sources of funds. It is difficult to imagine circumstances in which as much as \$100 million of the \$270 million needed annually could be provided sensibly from the two sources combined. And the satellite proposal, if deployed at full scale, cannot add enough of the required

revenue to obviate the need for governmental revenue sources.

However, there is one strong argument, aside from the inherent characteristics of these approaches, for using them to some extent—limited in the case of subscription television and advertising, and all out in the case of the Ford Foundation proposal. Together with tax sources, they will afford a highly desirable diversity of financial sources, a diversity which can significantly enhance the independence of Public Broadcasting programming.

#### GOVERNMENTAL FINANCING—THE TRUST FUND APPROACH

In the discussion of governmental financing which occupies the remainder of this study, the analysis is confined to Federal government taxes and fiscal arrangements. In part, this is because most of the tax sources under consideration clearly are unsuited to imposition and collection by state or local governments—for example, taxes on broadcasting gross receipts, profits or access to the radio spectrum. But, more generally, proposals for state and local government financing seem highly unrealistic, in view of the fiscal stringencies of state-local governments, and because the benefits from Public Broadcasting are not confined to individual political jurisdictions or small geographic areas.

State and local governments can be expected to finance some portion of the costs of strictly educational broadcasting in connection with their support of the country's educational system. However, even in this connection, the case for Federal finance is strong. It is widely argued that the Federal government's aid to education is far too low—that the Federal government should provide, say, 40 percent of the costs of the public schools rather than the 10 percent it now provides. Broadcasting is a highly sensible area in which to expand the Federal role in financing education, since it avoids the hot issue of local control over school operations and since the Federal government is ideally suited to foster experimentation and new technology.

Within the Federal government's financial system, there is a well-tested device that provides the insulation from political pressures necessary for Public Broadcasting—the trust fund approach, under which the receipts from specified taxes are paid into a trust fund, can be used only for purposes stipulated in the original legislation and are expended for these purposes on the basis of formulas or other provisions specified in the legislation, without going through the regular annual Congressional appropriations process. The trust fund approach is an old one. It originated years ago in connection with the Federal government's handling, as an agent or trustee, funds which were held not really to "belong to" the government, such as income from Indian-owned lands, held in trust for these wards of the government.

The trusteeship idea was considered appropriate for dealing with veterans life insurance funds, when this program was established during World War I (the funds were considered to "belong to" policy holders, not the government). It was extended, in massive fashion, in subsequent decades, to apply to the finances of the Social Security, unemployment insurance, railroad retirement and Federal employee retirement systems, all of which have been considered to have the characteristics of insurance with the Federal government's role one of holding the funds.

In reality, of course, in these cases the Federal government does much more than act as a trustee. The trust fund device as it has evolved, has somewhat different purposes now. First, it segregates specific taxes (or other receipts) from general revenues and earmarks them for a special purpose.

Those receipts so earmarked are usually held to have some relation to the benefits provided by expenditures from the trust fund. Second, it assures continuity in the programs by making the expenditure independent of the annual appropriation process; indeed, it makes spending dependent on the level of receipts or statutory formulas, rather than appropriations action. To be sure, Congress can change the rate of expenditure by deliberate action; it can increase the rate if it raises the taxes feeding the trust fund. But it can reduce the rate of spending only by the politically difficult (and rare) act of changing the basic legislation.

The Highway Trust Fund, created by legislation in 1956 and spending roughly \$4 billion a year recently, is the closest parallel to the financing of Public Broadcasting. It was created to finance a long-range spending program whose dimensions were set by an independent study commission (the Clay Commission in 1955). The tax receipts earmarked for the Trust Fund have two characteristics. First, they are taxes on highway users, who are also the presumed beneficiaries of the expenditure from the fund. Second, in combination the taxes were estimated to produce revenues adequate to finance the long-range program. Consequently, the annual rate of expenditure from the fund was to be approximately equal to the level of receipts from the earmarked taxes. Thus, the financing devices provided, in addition to insulation from the appropriations process, adequacy of revenues relative to the program intended, the year-to-year stability needed for long-range planning and a clear link between benefits and payments.

These are advantages that a trust fund device for financing Public Broadcasting should provide. Congress should establish a trust fund, into which receipts from new special taxes (to be discussed in the next section) are paid; the trust fund should also be the recipient of net proceeds from the broadcasters' nonprofit satellite system, on a formula basis—say, 90 percent of annual net proceeds. The trust fund would then annually or quarterly pay over to Public Broadcasting, presumably the Corporation for Public Broadcasting, its receipts. It might be appropriate for the trust fund to build up a modest balance in early years, to insure against unforeseen declines in tax receipts, but the general rule should be that the trust fund will be no more than a conduit, transferring receipts from those who pay the special taxes to Public Broadcasting.

#### GOVERNMENT FINANCING—ANALYSIS OF SPECIFIC SOURCES

A number of new Federal taxes, or tax-like revenue devices, have been proposed as possible sources of funds for Public Broadcasting, to feed the proposed trust fund. In this section, these taxes are analyzed from the standpoint of the criteria discussed earlier. The following revenue devices are considered:

1. A tax on gross receipts of radio and television broadcasters.
2. A tax on the gross receipts of all FCC long-distance communications licenses, including long-distance telephone and domestic and overseas telegraph, as well as broadcasters.
3. A tax on total television advertising outlay.
4. A tax on net profits of broadcasters.
5. A form of excess profits tax on broadcasters, equal to some very high percentage (say, 90 percent) of profits above some designated "fair rate or return" on capital invested.
6. A charge for lease of access to the radio spectrum, levied by competitive bidding for licenses for spectrum rights or otherwise. It should be noted that the economic characteristics of (5) and (6) are similar in a number of ways.
7. A flat per household radio-TV license fee, somewhat like the British system.

<sup>1</sup> Joel B. Dirlam and Alfred E. Kahn, "The Merits of Reserving the Cost-Savings from Domestic Communications Satellites for Support of Educational Television," *Yale Law Journal*, Vol. 77 (January 1968), p. 519.



8. A manufacturers' excise tax on TV sets. There have also been proposals for some kind of high license fee on commercial broadcasting. However, any sensible fee would be one measured by gross receipts, net profits or the value of access to the radio spectrum; therefore, this is not treated here as a distinctive revenue source.

#### *Adequacy of yield*

Almost any of the eight revenue sources listed above would have few real disadvantages if imposed at very low rates. Almost any of them would have harsh and undesirable effects if imposed at very high rates. What we seek is one or a small number of taxes that can yield adequate revenue—at least \$150 million annually—if imposed at reasonable rates.\* "Reasonable" rates, for any tax on a specific range of activities or objects, are rates imposing liabilities for tax payments which do not exceed these limits:

(a) the firm's or individual's tax liability should not exceed the benefits he or it receives from the expenditure of the proceeds of the tax; or

(b) the firm's tax liability should not exceed the value of some monopoly privilege (like exclusive access to spectrum) that the firm has; or

(c) tax liability should not exceed that imposed, by other taxes, on activities and objects which are competitive with and partial substitutes for the activity or object in question. For example, sales of books are subject to retail sales taxes, at rates of 3 percent or more, in nearly all the states, but broadcasters' gross receipts or television advertising outlay (the parallel tax bases) are not taxed by states and cities. A 3 percent gross receipts tax on broadcasting would do more than equalize the tax positions of the broadcasting and book publishing industries.

It is difficult to establish such limits precisely, and appraisals may differ widely. Table 1 presents some estimates (some of them very rough) of the yield of the various taxes proposed, at 1966-1967 levels of activity, at rates considered here to be not entirely unreasonable.

The yield figures in Table 1 are not net yield figures. One necessary consideration is collection costs for most of the taxes proposed, these will be minor since relatively few taxpayers (in most cases, no more than 5,000 or so) are involved and these are corporations already subject to requirements for filing tax and other information to the IRS, the FCC, etc. But the household license fee could involve very substantial collection costs and obnoxious enforcement practices, unless a considerable degree of tax evasion were to be tolerated. Therefore, the yield figure for this revenue source should be heavily discounted.

Another factor to be considered is the regular Federal corporation income tax. Like all other corporations, broadcasters pay the regular corporation income tax; its standard rate is 48 percent. If a new tax is imposed and it is allowed as a deduction (as a cost of doing business) against the regular corporation tax, it will lower the company's regular corporation tax payments by 48 percent. Thus, nearly half the new tax will be paid, in effect, by the Federal Treasury, in the form of lower corporation income tax collections. The profits-based taxes (sources 4, 5 and 6) will surely reduce corporate income tax liability substantially; the taxes based on gross receipts may also do so, depending on the extent to which they are shifted forward to advertisers or backward to employees and suppliers (see below). It may be questioned whether the Congress would be willing to assign all the revenue anticipated to

the trust fund, in view of this fact. If the Congress were not willing, the yield for Public Broadcasting would be much lower, and the profits-based taxes would rank low from the standpoint of adequacy of yield, rather than high (as suggested by Table 1).

Thus, the high-ranking sources for this criterion are the gross-receipts-type taxes: sources 1, 2, 3 and 8.

#### *Year-to-year stability*

A revenue source may be adequate in yield in a given year but nonetheless be highly unsuitable to finance Public Broadcasting if it is inherently subject to large year-to-year fluctuations in yield. The ideal tax base for this purpose would be one that increases each year at a fairly predictable rate and that does not experience large, unpredictable variations around this growth rate. An especially undesirable tax base is one that is susceptible to relatively large year-to-year declines.

Table 2 summarizes the variability in the bases of five of the eight revenue sources in the 11-year period from 1955 to 1966. The five revenue sources had fairly similar mean (average) changes over the period, ranging from an average yearly increase of 8.7 percent to one of 11.4 percent. But they differed greatly in the variations around these mean changes. There was a high degree of stability for source (2), gross receipts of all FCC long-distance licensees, with the average deviation from the mean change amounting to less than one-fifth of the mean change; on the basis of this record, one would expect to be able to predict revenues from this source within two percent of the actual results, in most years. Sources (1) and (3), broadcasting gross receipts and television advertising outlay, exhibit only slightly more instability, suggesting the ability to predict within a three percent range of error.<sup>3</sup> There were no actual declines in any of these tax bases in any of the 11 years.

In contrast, broadcasters' profits constituted a very unstable tax base, with actual declines in three of the 11 years (and an even larger decline in 1967). The deviation from the mean change was almost as large as the mean change itself, implying that it was as likely for the percentage increase in profits, in any given year, to have been one percent or 21 percent as 11 percent. This is a wide range indeed, for any kind of long-range planning.

This instability is inherent in the nature of profits, which are the product of two independently varying factors—gross receipts and expenses. The instability is even more marked for sources (5) and (6), which are related to "excess profits." In the nature of things, reliable year-to-year estimates of past performance of these hypothetical tax bases cannot be made, and hence they do not appear in Table 2. However, some notion of the variability in these bases can be obtained by comparing changes in broadcasters' profits with changes in those of all corporations, since "excess profits" have been defined here as the rate of return on broadcasting above and beyond that of other corporations. Changes in broadcasters' profits in the 1955-1966 period both varied more from year to year than was the case for other corporations (the average deviation was about twice as large, relative to the mean rate of change) and were somewhat different in timing. It is a reasonable guess that broadcasting "excess profits" would have been difficult to predict within a margin of error as wide as plus or minus 25 percent, and that decreases in the tax base are as frequent as increases.

Source (8), TV set production, has also been highly unstable, but for different reasons—the nature of the cycle of households' equipping themselves with TV sets. There

were steep declines in TV production after the early 1950's, by which time ownership of black-and-white sets was widespread. Rapid increases occurred with the mass advent of color television, in the early and mid-1960's. It is reasonable to anticipate declines once again in coming years, followed by some stability, until once again, there is an important technological innovation. But in any case, the revenue source is an undependable one.

Source (7), household licenses, is a highly stable one, now that nearly all households have at least one radio or TV set—the tax base should grow at just about the rate of household formation, about 1.5 percent a year.

Thus, the high-ranking sources for this criterion are the gross-receipts-type taxes (excluding the tax on TV sets produced)—sources 2, 1 and 3—plus the household license fee.

#### *Growth over time*

Since Public Broadcasting expenses will rise over time, an ideal tax base is one which grows steadily but substantially over time. It is almost sure to be the case that tax bases with very high long-term growth rates will also tend to have considerable year-to-year instability and tax bases with slow growth rates will be highly stable in the short run. Thus, the most stable of the proposed tax bases, the household license fee, has almost no year-to-year variability, but an exceedingly slow growth rate; revenues would rise far less than costs of broadcasting, even in a totally inflation-free economy.

At the opposite end of the growth/stability spectrum are the "excess profits" tax bases (5 and 6). Since broadcasters' net profits have grown significantly more rapidly than the profits of corporations in general in recent years, it is likely that "excess profits" have risen very sharply indeed—perhaps at an annual rate of more than 15 percent since 1960. But the price of this extremely rapid growth is the extreme year-to-year instability noted above.

The appropriate "trade-off" between growth and stability is likely to be found among the other five proposed tax devices, those shown in Tables 2 and 3. As Table 3 shows, average annual long-term growth rates of 8 to 10 percent may reasonably be expected from the gross-receipts-type taxes (sources 1-3), in a prosperous economy. Somewhat higher growth rates are indicated for the broadcasters' profits tax base (source 4), but with more instability. The base for source 8, the tax on TV set production, has not grown quite as rapidly over the entire post-1955 period, but has shown spectacularly rapid bursts of growth in more recent years. However, the next decade may very well be more like the 1955-1963 period, when the tax base had no growth at all, than like the post-1963 period. This tax base, then, would seem to rank low on both growth and stability criteria.

It should be noted that the 8-10 percent annual growth rate for the gross-receipts-type taxes is a very high growth rate. Even if the costs of providing Public Broadcasting services of constant quality and quantity were to rise at a rate of 5 percent a year, this kind of growth rate would provide financing adequate to provide continual improvement in Public Broadcasting services.

#### *Effects on low-income households*

It has been pointed out that some of the proposed revenue devices may bear directly on consumers or indirectly on them through a chain of rises in the prices of goods heavily advertised on commercial broadcast services. Price rises on widely consumed goods and services tend to burden low-income households much more heavily, relative to family income levels, than higher-income households. For example, a 5 percent rise in the prices of consumer goods on which families spend \$1,000 a year is \$50; this is 2 percent

\* In section 2, above, it was concluded that non-governmental sources should not be expected to provide more than \$100 million annually, in the best of circumstances.

<sup>3</sup> If 1967 results had been included, the variation would have been slightly higher, since the rate of increase in TV advertising expenditure was very small.



of the total income of a \$2,500-a-year family, 1 percent of the income of a \$5,000 family and  $\frac{1}{4}$  of 1 percent of the income of a \$20,000 family.

There are two issues here. First, how likely is it that the proposed taxes will be shifted to consumers, in reality? Second, will the amounts be consequential? It is difficult to be greatly exercised about the burden on low-income families, however much heavier in a relative sense, if the absolute amounts are trivial, amounts like \$5 a year per family.<sup>4</sup>

Let us deal with the more obvious cases first. Both economic reasoning and empirical studies done in other connections strongly indicate that taxes on corporate profits in general, and even more so, on profits of particular industries,<sup>5</sup> will not be passed on to consumers in the form of higher prices. Instead, the taxes will reduce corporate profits and/or reduce the earnings of some or all of those engaged in the taxed industry (in this case, an industry whose participants tend to have earnings well above the national averages). This would be even more true for "excess-profits"-based taxes, designed to extract the excess return to the industry made possible by the monopoly character of access to spectrum.

In contrast, the household license fee would fall directly on consumers and disproportionately burden low-income households. Similarly, it is highly likely that a manufacturers' excise on TV set production would be fully passed on to consumers in the form of higher prices; the 1965 reductions in Federal excises on TV set (and many other floods) were fully and quickly passed on to consumers in the form of price reductions.<sup>6</sup> This, too, would disproportionately affect low-income households. But in both cases, the amounts are low—\$3 a household in the case of the license fee and less than \$10 a set in the case of the TV set tax, in nearly all instances. The amounts seem too small to consider a serious burden. However, it can be argued that ownership and use of TV sets can provide so great a potential enrichment in the lives of the poor and the disadvantaged that TV ownership should not be discouraged, no matter how slightly.

Sources (1) and (3), the gross receipts taxes on broadcasters and on television advertising outlays, respectively, could burden low-income families only if passed on to consumers in the form of higher prices for products that are heavily advertised on radio and television. If this happened, low-income families would be hit, since the products that do account for the bulk of broadcast revenues—automobiles, beer, cosmetics, tobacco, soap and detergents, proprietary drugs—are relatively more important in the budgets of low-income families. Again here, the absolute amounts are relatively small; but more important, it seems rather unlikely that the bulk of the tax would be shifted forward to consumers.

Any tax on a specific type of activity for which there are reasonably close substitutes tends not to be shifted forward in the form

of higher prices. If there is an attempt by the taxed industry or activity to raise prices, its immediate customers will tend to avail themselves of the substitute services. In the case of commercial broadcasting and television advertising, there is no reason to believe that the charges now imposed for time, program services, agency commissions and the like, are below the maximums that can be extracted from the firms doing the advertising. Higher charges, imposed in response to a new gross receipts tax, would tend to divert advertising to non-broadcast media and/or to cause advertisers to reconsider their total advertising budgets; after all, there is some price at which the sales and profits generated by the marginal amount of advertising expenditure are less than that expenditure.<sup>7</sup>

Source (2), the tax on all long-distance licensees, has a somewhat different character in this respect. There is little doubt that the FCC would permit the regulated carriers to pass on the new tax in the form of higher rates. But low-income households are very minor direct consumers of long distance telephone and telegraph service. The principal direct users are business organizations, and they would tend to pass on their higher communications costs to customers. However, this would reach low-income families in a very muted fashion, having been diffused throughout the economy. If the tax burden could be traced through the diffusion process, it is a reasonable guess that the burden on low-income families would be no more than \$1 or \$2 a year.

Thus, the problem of regressivity does not seem a serious one, for any of the proposed revenue devices, although it is marginally worse for the taxes (sources 7 and 8) related to TV set ownership. There is a more general point here: while it is good public policy to avoid harshly burdening low-income families, it is bad and inefficient public policy to require every revenue measure to avoid any degree of regressivity, however trivial. The way to help low-income families is to improve their employment prospects and directly ensure them a minimum income level, not to twist every institution, however remotely related, to this end.

#### Other economic effects

Most economists agree that a tax is superior on economic grounds, other things being equal, if it is more or less neutral—that is, if it alters economic behavior (from the pre-tax situation) as little as possible. If a tax must be unneutral economically, then it should be unneutral in ways which offset other "distortions" in the economy, rather than reinforcing such distortions.

By definition, sources (5) and (6), the excess profits tax and charges for lease of access to spectrum, are economically neutral. That is, the tax or charge would siphon off, for Public Broadcasting, profits above and beyond the levels needed to sustain the current level of investment and output in commercial broadcasting. Broadcasting companies and their stockholders would be less well-off, but they would have no rational basis for changing their economic behavior, since they could not become better off by so doing.

There is one minor exception to this. A conventional excess profits tax (of the World War II and Korean War variety) imposed at very high rates tends to encourage extravagance in operations, since the Treasury in effect pays nearly all the cost of added expenses. Some system of competitive bidding

for licenses for access to spectrum could avoid this drawback, since once the lease charge has been committed broadcasters continue to have incentives to minimize costs and maximize profits net of the lease charge.

It was concluded earlier that the burden of taxes (1), (3) and (4), on broadcasting revenues, television advertising outlay and broadcasters' profits, respectively, is likely to fall on broadcasters' profits and/or the earnings of the participants in the broadcasting and advertising industries. To a considerable extent, these, too are neutral in their economic effects. The monopoly elements in commercial television, that is, exclusive access to desirable parts of the radio spectrum, produce monopoly returns which are likely to be shared by broadcasting firms and by the other participants in the industry—artists, technicians, suppliers, advertising agencies, etc.—with the sharing dependent on how scarce the specialized talents of the participants are, how strongly unionized they are and similar conditions. The burden of a tax on broadcasters' profits will fall partly on such "factor inputs." The burden of a tax on broadcasting gross receipts or advertising outlay will fall even more on "factor inputs," reducing their earnings.

This is economically neutral to the extent that "factor inputs" remain better rewarded than in any other conceivable employment, even after the reduced earnings. But even if there is some unneutrality, this may be no bad thing, to be cold-blooded about it. If broadcasters' or advertising firms' costs, including the new taxes, go up while revenue remains the same, this would tend to encourage economizing throughout the industry, reducing the notorious extravagance and inefficiency in the broadcasting/advertising productive process. Such cost reductions will release resources for other uses. Since commercial and non-commercial broadcasting compete for similar types of manpower and other resources, this will tend to reduce the cost of "factor inputs" for Public Broadcasting, a consummation devoutly to be wished.

The proposed tax on all long-distance licensees, in its effects on telephone and telegraph carriers, involves undesirable, although relatively minor, economic unneutralities. Communications common carriers tend to be heavily taxed even now, with a Federal excise, special state gross receipts taxes on utilities in many states and heavy local property taxes in most states. An added Federal tax, for Public Broadcasting, would tend to further encourage the already visible diversions to private communications systems. Moreover, these taxes are unneutral among communications-using industries, raising costs especially for those to whom long-distance communications service is a relatively important cost of doing business; many types of financial firms have this characteristic. The economic consequences are small but real.

Similarly, there are small but real distortions in sources (7) and (8), the household license and manufacturers excise, respectively. They increase the cost of TV set ownership vis-a-vis other entertainment and communications services. But, in these instances, the tax or charge is offset by the fact that the use of the proceeds of the revenue device, for Public Broadcasting, directly and clearly benefits those who pay the tax, set owners. No one is likely to forego ownership of a TV set, unless he is very poor, even if the tax or charge is a very high one, if at the same time, the quantity and quality of available programming is dramatically improved.

#### Link with benefits

This brings us to the final criterion in our analysis, the extent to which each of the proposed revenue devices would be paid by firms and individuals who in turn would benefit

<sup>4</sup> Roughly 10 million low-income American households currently receive government assistance through welfare, social security, and the like, at an annual cost of \$40 billion. If all of them were burdened to the extent of \$5 a year by the proposed taxes, the total burden of \$50 million a year could be offset by an increase in income-maintenance payments of only one-eighth of one percent.

<sup>5</sup> Excluding public utilities whose prices or rates are set by administrative regulation and limited to a "fair rate of return."

<sup>6</sup> See Oswald Brownlee and George L. Perry, "The Effects of the 1965 Federal Excise Tax Reduction on Prices," *National Tax Journal*, vol. 20 (September 1967), pp. 235-249.

<sup>7</sup> This position agrees with the conclusion expressed by Dirlam and Kahn in their study of the economic effects of the Ford Foundation satellite proposal (*Yale Law Journal*, Vol. 77, p. 503); they believe that the gross receipts tax might actually lower to advertisers.

from use of the proceeds for Public Broadcasting. Clearly, any tax borne largely by TV set owners, like sources (7) and (8) ranks high on this score. TV viewers collectively benefit from improved Public Broadcasting; they cannot generate such benefits except through governmental action to raise the necessary revenue. Therefore, in imposing such a tax, the Federal government is truly acting as an agent for set owners.

If any of the other proposed taxes were passed on to consumers as a group, 95 percent of whom are TV set owners, that tax could be justified on a benefits-linkage basis. As we have seen, this does not seem likely. Are there other benefit-type characteristics, even if less direct and obvious? One might be found in the frequent assertions by some commercial broadcasters, that commercial broadcasting will benefit in a variety of ways (competitive stimulus, innovations in programming, relief from ill-defined public service obligations, etc.) from a healthy Public Broadcasting system. To the extent this is so (that is, to the extent such assertions can be taken at face value), then any of the taxes on broadcasting per se (sources 1, 4, 5 and 6) rates high on the benefits-linkage criterion. But working in the other direction is the fact that a large-scale Public Broadcasting system will be competing for resources and for audience with commercial broadcasting, tending to dilute broadcasters' revenue, raise their costs and disadvantage advertisers generally.

Another type of benefit argument relates not to the use of the proceeds for Public Broadcasting, but to the rationale for certain kinds of taxes regardless of how the funds are used. This is the argument that government activities benefit the communications industries in a special way, and therefore they can justifiably be taxed to recoup part of the net benefits for public uses. One aspect of this has been noted earlier: taxation to recoup the monopoly profits from exclusive access to spectrum.

This might be extended, in the case of source (6), lease of access to spectrum, to say that if access was by competitive bidding for licenses (rather than granted free of charge), the communications industry would benefit, along with the whole country; from a more rational allocation of this scarce resource. However, commercial broadcasting would scarcely benefit if the competition for channels, within an auction system, were severely limited by zone; broadcasters would simply be bidding against one another for frequencies within the zones presently assigned to broadcasting. The industry, on the other hand, would benefit greatly if it could

bid away frequency from the low priority users of the present non-broadcasting segments of the radio spectrum.<sup>8</sup>

It is true that Federal government research and development efforts over the years have made significant contributions to communications technology. However, it is not at all clear that the communications industries have benefitted from Federal research and development spending so much more than other industries that the communications industries should be called upon to pay special taxes, alone among American industries, on this score. Moreover, the impact of Federal R and D efforts has been highly uneven among communications firms and industries. Some of them, like the Bell System, originate nearly all their technological innovations from their own R and D work; and it may be questioned whether the Bell System will truly benefit from satellite technology, if this technology leads to the reduction in telephone revenue implicit in the Ford Foundation satellite proposal.

Thus, the argument that there is a benefits-linkage character to taxes on the communications industries, like source (2), is at best no more than superficially plausible; at worst, the argument is just plain wrong. In short, aside from the taxes on set owners (sources 7 and 8), none of our proposed revenue sources rates high, without real reservations, on the benefits-linkage criterion.

#### RECOMMENDATION

Although sources (7) and (8) do well on the benefit criterion, they rank low by most other standards. This can be seen in Table 4, where the analysis in the preceding section is summarized in the form of cryptic ratings. The sources related to profits (4, 5 and 6) also would seem to be unsuitable as the primary financial base for Public Broadcasting, in view of their low or questionable revenue yields and high degree of year-to-year instability.

In contrast, the gross-receipts-type of taxes (sources 1, 2 and 3) have most of the appropriate revenue yield characteristics; any of them could be a stable, growing and reasonably adequate basis for the long-term financing of Public Broadcasting. In most respects, sources (1) and (3), the taxes on broadcasting gross receipts and television advertising outlay, respectively, are similar in their characteristics, but the former is

<sup>8</sup> For an extensive discussion of this type of issue, see William K. Jones, "Use and Regulation of the Radio Spectrum: Report on a Conference," in *The Radio Spectrum: Its Use and Regulation* (Brookings Institution and Resources for the Future, 1968).

marginally superior on benefits grounds and is probably administratively superior as well. The broad-based long distance communications tax (source 2) rates somewhat below these two, since it has (minor) adverse economic effects and no real benefits justification.

#### The preferred package

Thus, the proposed tax on commercial broadcasting gross receipts appears to afford the best "trade-offs" among the characteristics an ideal tax should have. However, there is a strong case, connected not with Public Broadcasting but with efficiency in the allocation of resources, for some system of charging for access to spectrum. It is not unreasonable to assign such revenues to Public Broadcasting as a supplemental source of funds.

The recommended package of financing proposals includes these two Federal government revenue sources:

1. A tax on commercial broadcasting gross receipts, at a rate of perhaps 4 percent yielding over \$120 million annually, to be assigned to the proposed trust fund.

2. Some system of charging for access to spectrum, designed to yield at least \$50 million a year, to be assigned to the proposed trust fund.

In addition, supplementary financing should be obtained from these non-governmental sources:

(a) Establishment of the Ford Foundation's proposed broadcasters' nonprofit satellite system, with 90 percent of its net proceeds assigned to the proposed trust fund, yielding \$20 million a year in money and substantial benefits in the value of free interconnection services.

(b) Authority for Public Broadcasters to accept advertising, under appropriate limits and controls.

(c) Authority for Public Broadcasters to experiment with subscription television.

In total, this package is capable of providing funds at the recommended \$270 million annual level. However, the individual proposals are not equivalent in inherent merit, nor can they be instituted with equal speed. The best components of the package, from the standpoint of inherent merit, are the gross receipts tax and the satellite system. The components most amenable to speedy action are the gross receipts tax and the acceptance of advertising on a limited basis. In the light of this, the highest priority attaches to creation of the trust fund and adoption of the gross receipts tax, to provide substantial financing of Public Broadcasting while the other features of the program are being developed and converted into reality.

TABLE 1.—ESTIMATED YIELD OF PROPOSED REVENUE SOURCES, AT ILLUSTRATIVE TAX RATES

Revenue source	Estimated tax base, 1966-67 levels	Illustrative tax rate	Yield (millions)	Revenue source	Estimated tax base, 1966-67 levels	Illustrative tax rate	Yield (millions)
1. Broadcasting gross receipts.....	\$3,100,000,000	4 percent.....	\$124	5. Excess profits tax on broadcasting.....	\$200,000,000	90 percent.....	\$180
2. Gross receipts, FCC long-distance licenses (including broadcasting).....	9,000,000,000	2 percent.....	180	6. Lease of access to spectrum.....	\$200,000,000	90 percent.....	180
3. Television advertising outlay.....	2,800,000,000	4 percent.....	112	7. Household licensee fee (50,000,000 households).....	\$3,700,000,000	3 percent.....	150
4. Broadcasters' net profits (before Federal income tax).....	600,000,000	15 percent.....	90	8. Manufacturers' excise on TV sets.....	\$2,500,000,000	5 percent.....	125

<sup>1</sup> According to Internal Revenue Service data from corporation income tax returns, net income as a percent of total assets less accumulated depreciation in broadcasting is roughly twice as high as that for all nonfinancial corporations and roughly 50 percent higher than for all other communications industries. The nature of these data indicate that this relatively understates the "excess profits" in broadcasting. However, for this table, it is assumed that "excess profits" equal 1/4 of total profits, to bring broadcasting in line with the rates of return in the rest of the communications industry.

<sup>2</sup> The value of access to spectrum is assumed to be equal to broadcasters' "excess profits," with 90 percent of this value recouped by competitive bidding for licenses or otherwise.

<sup>3</sup> The retail value of TV set production in 1966 was \$3,700,000,000.

Note: Estimates are based on FCC data and data from Statistical Abstract of the United States, except where otherwise indicated.

TABLE 2.—YEAR-TO-YEAR STABILITY OF TAX BASES FOR PROPOSED REVENUE SOURCES, 1955-66

Revenue source (tax base)	Average deviation from mean change			Number of years in which decline occurred	Revenue source (tax base)	Average deviation from mean change			Number of years in which decline occurred
	Mean annual change percent	In percent-age points	As percent of mean change			Mean annual change percent	In percent-age points	As percent of mean change	
1. Broadcasting gross receipts.....	+9.0	2.7	30	0	4. Broadcasters' net profits (before Federal income tax).....	+11.4	10.7	94	3
2. Gross receipts, FCC long-distance licensees (including broadcasting).....	+8.7	1.6	18	0	8. Retail value, TV set production.....	+9.2	18.1	196	4
3. Television advertising outlay.....	+9.5	2.9	31	0					

Note: Based on FCC data and data from "Statistical Abstract of the United States"; partly estimated.

TABLE 3.—AVERAGE ANNUAL GROWTH RATES OF TAX BASES FOR PROPOSED REVENUE SOURCES FOR SELECTED PERIODS (PERCENT)

Revenue source (tax base)	1963-66	1960-66	1955-66 <sup>1</sup>	Revenue source (tax base)	1963-66	1960-66	1955-66 <sup>1</sup>
1. Broadcasting gross receipts.....	10.5	8.7	8.9	4. Broadcasters' net profits (before Federal income tax).....	13.9	12.5	10.6
2. Gross receipts, FCC long-distance licensees (including broadcasting).....	10.3	8.7	8.7	8. Retail value, TV set production.....	30.7	19.8	7.2
3. Television advertising outlay.....	10.8	9.7	9.4				

<sup>1</sup> These figures differ slightly from the analogous ones shown in table 2; the table 2 data are simple unweighted averages of 11 year-to-year changes whereas the data in this table have been calculated on the basis of the compound interest formula and represent true average long-term growth rates.

Note: Based on FCC data and data from "Statistical Abstract of the United States."

TABLE 4.—SUMMARY RATING OF PROPOSED REVENUE SOURCES

Revenue source	Criteria						Revenue source	Criteria					
	Adequacy of yield	Year-to-year stability	Long-term growth	Regression	Other economic effects	Benefit linkage		Adequacy of yield	Year-to-year stability	Long-term growth	Regression	Other economic effects	Benefit linkage
1. Broadcasting gross receipts.....	X	X	X	X	X	(?)	4. Broadcasters' net profits (before Federal income tax).....	0	0	X	X	X	(?)
2. Gross receipts, FCC long-distance licensees including broadcasting.....	X	X	X	X	0	0	5. Excess profits tax on broadcasting.....	(?)	0	X	X	X	(?)
3. Television advertising outlay.....	X	X	X	X	X	0	6. Lease of access to spectrum.....	(?)	0	X	X	X	(?)
							7. Household license fee.....	0	X	0	0	(?)	X
							8. Manufacturers' excise on TV sets.....	X	0	0	0	(?)	X

<sup>1</sup> Uncertain.

<sup>2</sup> High rating, if access rights across the whole spectrum were auctioned; low rating if auctioned within zones (see text).

<sup>3</sup> Minor adverse effects, fully offset by benefit linkage (see text).

Note: X=rates high on this criterion, 0=rates low on this criterion.

(NOTE.—Dr. Dick Netzer, author of the National Citizens Committee for Broadcasting's Long-Range Financing of Public Broadcasting, is Professor of Economics and Head, All-University Department of Economics, New York University. Effective May 1, 1969, Dr. Netzer will be Dean of the University's Graduate School of Public Administration.

(From 1948 to 1966, Dr. Netzer was successively Economist, Senior Economist and Assistant Vice President at the Federal Reserve Bank in Chicago, engaged in economic research. He was a Professor of Public Finance, Graduate School of Public Administration, NYU, before his present appointment. He directed NYU's work for the Temporary Commission on New York City Finances, which provided the background for New York's tax reform program in 1966.

(Dr. Netzer has been a consultant to the Government of Colombia, the Puerto Rico Planning Board, the Institute of Public Administration, the Ford Foundation, the Committee for Economic Development, the Downtown-Lower Manhattan Association, the Advisory Commission on Intergovernmental Relations, the Connecticut Legislature, the Nassau-Suffolk Bi-County Planning Board, and the Minneapolis Mayor's Tax Study Committee.

(He is Chairman of the Inter-University Committee on Urban Economics. He is also a member of the Research Advisory Board of the U.S. Economic Development Administration, the Advisory Committee on Government Statistics of the U.S. Bureau of the Census, the Advisory Council to the Joint Legislative Committee on Metropolitan and Regional Areas Study, State of New York, and the Mayor's Fiscal Advisory Committee, New York City.

(Among his principal works are *Economics of the Property Tax* (Brookings Institution, 1966), *Financing Government in New York City* (NYU Report to the Schwulst Commission, 1966), *Impact of the Property Tax: Its Economic Implications for Urban Problems* (Congress of the United States, Joint Economic Committee Print, May 1968), and *Issues in Urban Economics* (Johns Hopkins Press, 1968). He is co-author of *Public Services in Older Cities* (Regional Plan Association, 1968), and *Economic Aspects of Suburban Development* (State University of New York, 1969).

(Dr. Netzer received a B.A. degree from the University of Wisconsin and M.A. and Ph.D. degrees from Harvard University.)

Mr. Chairman, I will ask the chairman whether or not in view of what has occurred during the debate today, he will hold hearings on the question of permanent financing so that the citizens' money will not be required for this purpose, when the media that are earning the money, and the manufacturers that are earning the money can be given an opportunity to contribute toward the cost of educational TV?

I appreciate that the gentleman who is the chairman of the subcommittee made that commitment.

Mr. MACDONALD of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. FARBSTEN. I yield to the gentleman from Massachusetts.

Mr. MACDONALD of Massachusetts. I should like to call attention to the record, to show I said we have already

considered that and asked questions of the Public Broadcasting people when they came before us. I repeated that we would do so again. There was no specific statement that specific hearings would be held on that very small point.

Mr. FARBSTEN. The only reason I mention that fact in connection with the gentleman's statement is that the congressional declaration of policy did not have a word in it on that subject.

Mr. SPRINGER. Mr. Chairman, I have no further requests for time.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may consume.

In closing the debate I should like to point out that the National Commission on the Causes and Prevention of Violence issued its statements on violence in television entertainment programs on September 23. The Chairman of the Commission is Dr. Milton S. Eisenhower.

The report as I noted earlier states:

We believe, as the Public Broadcasting Act of 1967 states, that it furthers the general welfare to encourage non-commercial educational radio and television broadcast programming.

The Commission recommended that public broadcasting be implemented, assisted, and supported.

The gentleman from Ohio brought up the question of why we come back for further funding of the Corporation for Public Broadcasting. It has been in existence and has been operating for about a year, but has not had a President until

this year, 1969. Certainly they had to have a President before they could get fully operative.

The money that was appropriated for fiscal year 1969, \$5 million, has been obligated, as Mr. Macy said when he came before our committee, and in addition, some \$2 million from private sources.

They submitted a program for this fiscal year which would require \$20 million in Federal funds. I should note that \$20 million is contained in the Senate-passed bill, S. 1242.

They outlined how the \$20 million could be used. They have drawn up their program for the \$20 million, not \$10 million.

As I say, \$20 million passed the Senate. The Corporation ought to be given this opportunity.

There is no way they can complete this program which has been outlined for us unless they do have this full \$20 million we have in here today.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. My comment was that we did not agree on the effectiveness of that presentation about the use of the funds. I thought the testimony was fairly limp. I do hope we will find another method of financing.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

The Speaker assumed the chair.

The SPEAKER. The Chair will receive a message.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On September 29, 1969:

H.R. 4658. An act for the relief of Bernard L. Coulter;

H.R. 11582. An act making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1970, and for other purposes; and

H.J. Res. 775. Joint resolution to authorize the President to award, in the name of Congress, Congressional Space Medals of Honor to those astronauts whose particular efforts and contributions to the welfare of the Nation and of mankind have been exceptionally meritorious.

On October 1, 1969:

H.R. 6508. An act to provide additional assistance for the reconstruction of areas damaged by major disasters; and

H.R. 9526. An act to amend the District of Columbia Unemployment Compensation Act to provide that employer contributions do not have to be made under that act with respect to service performed in the employ of certain public international organizations.

The SPEAKER. The Committee will resume its sitting.

#### EXTENDING ASSISTANCE FOR PUBLIC BROADCASTING FACILITIES AND CORPORATION FOR PUBLIC BROADCASTING

The Committee resumed its sitting.

Mr. EDWARDS of California. Mr. Chairman, we are all familiar with the failures of commercial television to serve many of the needs of our people, and, I hope, we are also familiar with the excellent job now being performed by public broadcasting to fill the huge gaps left by commercial broadcasting.

It is necessary, I believe, that we insure that public broadcasting has a sound financial foundation on which to build its services. H.R. 7737, which authorizes \$15 million a year for 3 years for public broadcasting and \$20 million for the Corporation for Public Broadcasting, will provide that foundation.

In my opinion the amounts authorized are but a minimum, if the American public is to have the information it so desperately needs.

The need for public broadcasting is great. I would hope this House will meet that need.

Mr. TIERNAN. Mr. Chairman, I rise in support of the Educational Television and Radio Amendments of 1969.

Public educational broadcasting has the potential of becoming a major segment of our educational system in America. For too many years now we have allowed public educational broadcasting to take a back seat. Today, we have begun to fully realize how powerful this media is in influencing the thinking of all our people, especially our preschool children. We cannot continue to let this important educational tool go unused. H.R. 7737 amends the Communications Act of 1934 by extending its provisions to grants for construction of educational television or radio broadcasting facilities.

It also contains provisions relating to support of the Corporation for Public Broadcasting. The Educational Television and Radio Amendments of 1969 authorize an appropriation of \$15 million each for fiscal years 1971, 1972, and 1973. This money is for construction of non-commercial educational radio and television outlets. It also provides for a 1-year extension of financing of the Corporation for Public Broadcasting in the sum of \$20 million for fiscal year 1970.

Anyone who has seen some of the fine shows that are now being produced by educational radio and television for children in and out of school can appreciate the enormous possibilities it presents.

Educational broadcasting has made immense progress in less than a decade. H.R. 7737 is essential to continue this progress. Unless we provide the money and the backing, channels will go unused and talents will go wasted. We have the power to see that educational broadcasting reaches full fruition, H.R. 7737 is a step in this direction.

Mr. RARICK. Mr. Chairman, I rise in opposition to H.R. 7737. For the Federal

Government to be in the broadcasting business, directly or indirectly, is no different from its being in the newspaper business or, for that matter, going into commercial movie business. A controlled press is recognized as a threat to freedom and so must be a controlled public broadcasting system. Official Government radio and television in other countries, as opposed to free enterprise radio and television, have never proven superior to private enterprise.

The public broadcasting can be expected to promote, in large part, material which could not obtain a sponsor because it is unsalable, and sponsors could ill-afford to be linked with it. The sponsors, as businessmen who are selling a competitive product to the public, understand what the people want as opposed to what the bureaucrats, who have all the answers, think the people need.

By way of confirming the threat to free thought, the committee report indicates that there already has been established an Advisory Committee of national organizations to determine the range of interest to be served by public broadcasting throughout the United States. A cursory glimpse at the Advisory Board offers no satisfaction that it represents any cross-section of the American people. In fact, the majority of the organizations listed, are highly controversial and exist primarily for the purpose of influencing public opinion and political action.

I insert a list of the Advisory Committee at this point in my remarks:

To assist it in determining the range of interests to be served by public broadcasting in communities throughout the United States, CPB has established an Advisory Committee of National Organizations. The Advisory Committee presently consists of—

- American Association of University Women.
- Consumer Federation of America.
- Boy Scouts of America.
- General Federation of Women's Clubs.
- National Association for the Advancement of Colored People.
- National Conference of Christians and Jews.
- National Council of Churches.
- National Council of Senior Citizens.
- National Congress of PTAs.
- National League of Cities.
- National Conference of Mayors.
- National 4-H Club Foundation.
- National Education Association.
- National Wildlife Federation.
- National Audubon Society.
- U.S. Jaycees.
- National Catholic Office for Radio and Television.
- League of Women Voters.

An appealing argument is made that one of the assets to this public broadcasting program is to be the praiseworthy dissemination of education and culture. The unanswered question is "Whose culture, and education in what? Who is to decide?"

It appears that we are well underway in creating a monster domestic propaganda agency paid for, but not controlled by, the American people.

Within my memory a similar machine headed by Dr. Joseph Goebbels was instrumental in misleading the German people. Hitler bragged that by being able to control the minds of the German youth he could change the destiny of the world.

Mr. Chairman, we do not need to repeat that mistake.

Frequent complaints on programming are already received from viewers of CBS, NBC, and ABC networks which must rely on popular support and sponsorship to be able to continue. If the American consumers, voting with their dollars, are unable to modify or effectively direct the policies of free enterprise television, how can anyone be naive enough to think that the citizens will have any voice of protest over an out-of-control, gigantic, tax-supported broadcasting bureaucracy.

In enacting longterm legislation, we must remember that we are creating something that will survive us and current personalities.

A previous Congress has struck down literacy qualifications for voters in some States, based largely on the argument that Americans learn of public affairs from television and do not need to read to form political opinions.

Congress later enacted laws requiring that all television sets manufactured be capable of receiving the UHF bands, although there was no public demand for such sets. This step was intended to encourage a proliferation of UHF stations which have never been economically feasible. The third step now provides programming for these stations to use in the indoctrination of uneducated voters.

We have already seen Government censorship of private enterprise programming in cases where license renewals were challenged by individuals who did not approve of local programming.

It is apparent that the ultimate objective is the total control of radio and television broadcasting and the silencing of free enterprise in this area.

There only remains then to revoke the licenses of the free enterprise television. Full centralized thought control is then but a matter of time.

If the first amendment will not protect broadcasting from tax-subsidized Government competition, newspapers may expect to find themselves the next victims of communications control.

Mr. Chairman, like all of our colleagues, I believe in education and want to do everything possible to make education available to our children. But I also realize that merely labeling something "education" does not make it education. There is a difference between education and indoctrination. This bill, H.R. 7737, provides the vehicle for indoctrination disguised as education and I must oppose it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 7737

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Educational Television and Radio Amendments of 1969."*

#### FIVE-YEAR EXTENSION OF CONSTRUCTION PROVISIONS

SEC. 2. (a) Section 391 of the Communications Act of 1934 (47 U.S.C. 391) is amended by striking out "and" before "\$15,000,000" and by inserting before the period at the end thereof ", and such sums as may be necessary for each of the next five fiscal years".

(b) The last sentence of such section is amended by striking out "July 1, 1971" and inserting in lieu thereof "July 1, 1976".

#### ONE-YEAR EXTENSION OF FINANCING OF CORPORATION FOR PUBLIC BROADCASTING

SEC. 3. (a) Paragraph (1) of subsection (k) of section 396 of the Communications Act of 1934 (47 U.S.C. 396) is amended by inserting ", and for the next fiscal year the sum of \$20,000,000" after "\$9,000,000".

(b) Paragraph (2) of such subsection is amended by inserting "or the next fiscal year" after "June 30, 1969".

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, and that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

#### COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, strike out line 5 and all that follows through line 5 on page 2 and insert the following:

#### "THREE-YEAR AUTHORIZATION FOR PUBLIC BROADCASTING FACILITIES

"Sec. 2. (a) Section 391 of the Communications Act of 1934 (47 U.S.C. 391) is amended by inserting after the second sentence the following new sentence: "There are also authorized to be appropriated for the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, \$15,000,000 per fiscal year."

"(b) The last sentence of such section is amended by striking out 'July 1, 1971' and inserting in lieu thereof 'July 1, 1974'."

The committee amendment was agreed.

#### AMENDMENT OFFERED BY MR. BUTTON

Mr. BUTTON. Mr. Chairman, I offer an amendment.

The Clerk reads as follows:

Amendment offered by Mr. BUTTON: Insert after line 22 of page 2, after the period following "\$9,000,000," the following: "No less than fifty percent of such funds shall be allocated to the various public television stations in the form of unrestricted direct grants for station operations."

(Mr. BUTTON asked and was given permission to revise and extend his remarks.)

Mr. BUTTON. Mr. Chairman, I propose the amendment of H.R. 7737 to state that a minimum of 50 percent of the funds appropriated to the Corporation for Public Broadcasting shall be allocated to the public television stations across the country in the form of unrestricted direct grants for station operations.

There are some 180 public television stations in operation. In most cases, the local station in your district does not

have sufficient operating funds to perform the service which it should for your constituents. For example, the public television station in my district has just been forced to reduce its operating staff by 25 percent because of lack of funds.

The amount which would be available to these stations under the percentage formula which I urge would increase the direct allocation to each station from the \$10,000 of the past year to approximately \$50,000.

My amendment would guarantee that a substantial part of the Corporation for Public Broadcasting funds will help alleviate that problem. It would not preempt the administrative authority of the Corporation, for the Corporation would still have complete control over the other 50 percent of the funds. And, in addition, the Corporation would decide on the manner of distribution of the funds that go to the station as direct unrestricted grants.

As all of you know, your local station has struggled and is still struggling financially. There is little hope of any breakthrough unless substantial unrestricted funds are made available through the Corporation. We should provide the mechanism that insures this, and we have the opportunity in this amendment.

A national program service is important, but the local stations have an equally important—if not more important—role to play in providing locally originated programs for the area they serve.

Without a great increase in Federal aid, local program production will continue to be marginal, if it exists at all.

While a certain amount of the Corporation's funds did get to the local stations last year, much of it was the result of the local station submitting a specific proposal for a program project, and then the decision to make the grant was made by someone at CPB in New York or Washington. Under the present arrangement, the CPB can dictate that local stations must produce an opera if they wish a certain allocation of CPB funds; or, on the other hand, there is programming of a "national youth show" instead of allocations which would make possible youth programs at the local level. More and more, under existing circumstances, our local public television stations are mere pipelines for CPB policy.

I believe that it is imperative that the local stations maintain complete autonomy in what they produce locally. At the same time, they should continue to qualify for Federal aid.

I ask for your support for this amendment which will insure that substantial funds are made available to the station in your district for its local operations.

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think that we can vote on this amendment very shortly, and I shall only speak for a moment or so.

I think that this amendment hits at the very heart of that which we have sought to do, and that is to make the Corporation independent.



In addition, if we were to require the Corporation to spend 50 percent of its funds for station operations, it would not have any money left to do the job we seek; namely, to develop programs for public broadcasting stations and promote interconnection of those stations. So I urge that the amendment be defeated.

Mr. SPRINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I agree with the chairman in what he said in that this would alter the whole purpose of this bill and this would bring about the very thing the gentleman from Iowa pointed out, and that is that we would thus be giving direct funds for the support of TV stations, and we have no intention of doing this. This matter has been up before the Committee twice and has been defeated twice.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BURTON).

The amendment was rejected.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the last word in order to explain the motion to recommit.

Mr. Chairman, I will offer the motion to recommit and it will be a recommitment to cut from \$20 to \$10 million the funds for the Public Broadcasting Corporation which go into programming. It will not cut the funds which go into construction of facilities development under the proposal of the legislation. The motion to recommit is at the desk, and if there are any questions, I will be glad to answer them, but that will be the motion to recommit.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BOLLING) having assumed the chair, Mr. GALLAGHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7737) to amend the Communications Act of 1934 by extending the provisions thereof relating to grants for construction of educational television or radio broadcasting facilities and the provisions relating to support of the Corporation for Public Broadcasting, pursuant to House Resolution 526, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY  
MR. BROWN, OF OHIO

Mr. BROWN of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BROWN of Ohio. I am, in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROWN of Ohio moves to recommit the bill, H.R. 7737, to the Committee on Interstate and Foreign Commerce with instructions to report the same back forthwith with the following amendment: On page 2, line 22, delete the words "the sum of \$20,000,000" and substitute therefor the words "the sum of \$10,000,000".

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. BROWN of Ohio), there were—ayes 35, noes 38.

Mr. BROWN of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 131, nays 190, not voting 110, as follows:

[Roll No. 214]  
YEAS—131

Abernethy	Frey	Montgomery
Adair	Goodling	Morton
Anderson, Ill.	Gross	Myers
Andrews, Ala.	Gubser	Nelsen
Arends	Hagan	O'Neal, Ga.
Ashbrook	Haley	Passman
Ayres	Hall	Pettis
Beall, Md.	Hammer-	Poage
Bennett	schmidt	Poff
Betts	Hansen, Idaho	Purcell
Brinkley	Harsha	Quillen
Brock	Henderson	Randall
Brotzman	Hogan	Rarick
Brown, Mich.	Hosmer	Reid, Ill.
Brown, Ohio	Hull	Robison
Broyhill, N.C.	Hungate	Roth
Broyhill, Va.	Hunt	Roudebush
Buchanan	Hutchinson	Ruth
Burke, Fla.	Ichord	Saylor
Burleson, Tex.	Jonas	Schadeberg
Byrnes, Wis.	Jones, N.C.	Scherle
Cabell	King	Schwengel
Caffery	Kleppe	Scott
Camp	Kyl	Smith, Calif.
Cederberg	Landgrebe	Smith, N.Y.
Chamberlain	Langen	Snyder
Chappell	Latta	Springer
Clawson, Del.	Lennon	Stanton
Colmer	Lloyd	Steiger, Ariz.
Coughlin	Long, La.	Steiger, Wis.
Cowger	Lujan	Stuckey
Daniel, Va.	McClure	Talcott
Davis, Wis.	McEwen	Taylor
Dennis	McMillan	Thompson, Ga.
Derwinski	MacGregor	Thomson, Wis.
Dowdy	Mailliard	Utt
Downing	Marsh	Waggoner
Duncan	Martin	Wampler
Erlenborn	Mathias	Williams
Findley	Mayne	Wold
Fisher	Michel	Wyatt
Flynt	Miller, Ohio	Wylie
Ford, Gerald R.	Minshall	Zion
Fountain	Mizell	

NAYS—190

Adams	Carter	Edmondson
Albert	Casey	Edwards, Calif.
Anderson,	Celler	Edwards, La.
Calif.	Clark	Eilberg
Andrews,	Clay	Esch
N. Dak.	Cleveland	Eshleman
Annunzio	Cohelan	Evans, Colo.
Ashley	Conable	Fallon
Aspinall	Conte	Farbstein
Barrett	Conyers	Feighan
Blester	Corman	Fish
Bingham	Cramer	Flood
Blanton	Culver	Flowers
Boggs	Cunningham	Foley
Boland	Daniels, N.J.	Fraser
Bolling	Davis, Ga.	Frelinghuysen
Brasco	de la Garza	Friedel
Brown, Calif.	Dickinson	Fulton, Pa.
Burke, Mass.	Donohue	Fulton, Tenn.
Burlison, Mo.	Dulski	Fuqua
Burton, Calif.	Dwyer	Gallagher
Button	Eckhardt	Garmatz
Byrne, Pa.		

Gaydos	McFall	Rodino
Gettys	Macdonald,	Rogers, Colo.
Glaime	Mass.	Rooney, Pa.
Gibbons	Madden	Roybal
Gilbert	Mahon	Ruppe
Gonzalez	Mann	Ryan
Gray	Matsunaga	Sandman
Green, Oreg.	Meeds	Satterfield
Green, Pa.	Melcher	Scheuer
Griffiths	Meskill	Schneebell
Grover	Mikva	Shipley
Gude	Minish	Sisk
Hamilton	Mink	Skubitz
Hanley	Mollohan	Slack
Harrington	Monagan	Smith, Iowa
Hastings	Morgan	Staggers
Hathaway	Morse	Steed
Hawkins	Mosher	Stokes
Hébert	Moss	Stratton
Hechler, W. Va.	Murphy, Ill.	Stubblefield
Heckler, Mass.	Murphy, N.Y.	Sullivan
Helstoski	Natcher	Tierman
Hicks	Nedzi	Udall
Horton	Nix	Ullman
Jacobs	Obeys	Van Deerlin
Jarman	O'Hara	Vander Jagt
Johnson, Pa.	Olsen	Vanik
Jones, Ala.	O'Neill, Mass.	Vigorito
Jones, Tenn.	Ottinger	Waldie
Kastenmeier	Patman	Watts
Kazen	Patten	Weicker
Kee	Perkins	Whalley
Keith	Philbin	White
Koch	Pickle	Wyman
Kyros	Pike	Yates
Landrum	Pollock	Yatron
Long, Md.	Preyer, N.C.	Young
McCarthy	Price, Ill.	Zablocki
McClary	Pryor, Ark.	Zwach
McCloskey	Pucinski	
McDade	Reid, N.Y.	
McDonald,	Reuss	
Mich.	Riegle	

NOT VOTING—110

Abbitt	Edwards, Ala.	Price, Tex.
Addabbo	Evins, Tenn.	Railsback
Alexander	Fascell	Rees
Anderson,	Ford,	Relfel
Tenn.	William D.	Rhodes
Baring	Foreman	Rivers
Belcher	Goldwater	Roberts
Beil, Calif.	Griffin	Rogers, Fla.
Berry	Halpern	Rooney, N.Y.
Bevill	Hanna	Rosenthal
Blaggl	Hansen, Wash.	Rostenkowski
Blackburn	Harvey	St Germain
Blatnik	Hays	St. Onge
Bow	Hollifield	Sebelius
Brademas	Howard	Shriver
Bray	Johnson, Calif.	Sikes
Brooks	Karth	Stafford
Broomfield	Kirwan	Stephens
Burton, Utah	Kluczynski	Symington
Cahill	Kuykendall	Taft
Carey	Leggett	Teague, Calif.
Chisholm	Lipscomb	Teague, Tex.
Clancy	Lowenstein	Thompson, N.J.
Clausen,	Lukens	Tunney
Don H.	McCulloch	Watkins
Collier	McKneally	Watson
Collins	May	Whalen
Corbett	Miller, Calif.	Whitehurst
Daddario	Mills	Whitten
Dawson	Mize	Widnall
Delaney	Moorhead	Wiggins
Dellenback	Nichols	Wilson, Bob
Denney	O'Konski	Wilson,
Dent	Pelly	Charles H.
Devine	Pepper	Winn
Diggs	Pirnie	Wolf
Dingell	Podell	Wright
	Powell	Wylder

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Hays with Mr. Rhodes.  
Mr. Brooks with Mr. Bob Wilson.  
Mr. Thompson of New Jersey with Mr. Widnall.  
Mr. Daddario with Mr. Stafford.  
Mr. Addabbo with Mr. Corbett.  
Mr. Hollifield with Mr. Broomfield.  
Mr. Carey with Mr. Cahill.  
Mr. Delaney with Mr. Bow.  
Mr. Evins of Tennessee with Mr. Lipscomb.  
Mr. Miller of California with Mrs. May.  
Mr. Rooney of New York with Mr. Pirnie.  
Mr. Wolf with Mr. Taft.  
Mr. Rostenkowski with Mr. Reifel.  
Mr. Devine with Mr. Watkins.  
Mr. St. Onge with Mr. Wylder.

Mr. Sikes with Mr. Pelly.  
Mr. Fascell with Mr. Mize.  
Mr. Kirwan with Mr. McKneally.  
Mr. Howard with Mr. McCulloch.  
Mr. Teague of Texas with Mr. Denney.  
Mr. Rivers with Mr. Edwards of Alabama.  
Mr. Kluczyński with Mr. Harvey.  
Mr. Biaggi with Mr. Bray.  
Mr. Bevil with Mr. Berry.  
Mr. Brademas with Mr. Shriver.  
Mr. Moorhead with Mr. Teague of California.

Mr. Rogers of Florida with Mr. Collier.  
Mr. St Germain with Mr. Belcher.  
Mr. Mills with Mr. Watson.  
Mr. Dent with Mr. Whalen.  
Mr. Griffin with Mr. Rallsback.  
Mr. William D. Ford with Mr. Lukens.  
Mr. Dingell with Mr. Kuykendall.  
Mr. Pepper with Mr. Burton of Utah.  
Mr. Charles H. Wilson with Mr. Clancy.  
Mr. Podell with Mr. Halpern.  
Mr. Whitten, with Mr. Don H. Clausen.  
Mr. Blatnik, with Mr. Dellenback.  
Mr. Alexander, with Mr. Collins.  
Mr. Nichols, with Mr. Foreman.  
Mr. Wright, with Mr. Bush.  
Mr. Abbt with Mr. Blackburn.  
Mr. Baring, with Mr. Price of Texas.  
Mr. Stephens, with Mr. O'Konski.  
Mr. Tunney, with Mr. Goldwater.  
Mr. Anderson of Tennessee, with Mr.

Whitehurst.  
Mr. Johnson of California, with Mr. Wiggins.

Mr. Leggett, with Mr. Sebelius.  
Mr. Roberts, with Mr. Winn.  
Mr. Rees, with Mr. Dawson.  
Mr. Hanna, with Mr. Powell.  
Mr. Lowenstein, with Mr. Diggs.  
Mrs. Hansen of Washington, with Mrs. Chisholm.

Mr. Karth, with Mr. Symington.  
Mr. Rosenthal, with Mr. Bell of California.

Mr. COUGHLIN and Mr. HAGAN changed their votes from "nay" to "yea."  
Mr. STOKES changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. SPRINGER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 279, nays 21, answered "present" 1, not voting 130, as follow:

[Roll No. 215]

YEAS—279

Adair	Burke, Mass.	Donohue
Adams	Burlison, Mo.	Dorn
Anderson,	Burton, Calif.	Dowdy
Calif.	Button	Downing
Anderson, Ill.	Byrne, Pa.	Dulski
Andrews, Ala.	Byrnes, Wis.	Duncan
Andrews,	Cabell	Dwyer
N. Dak.	Camp	Eckhardt
Annunzio	Carter	Edmondson
Arends	Casey	Edwards, Calif.
Ashley	Cederberg	Edwards, La.
Aspinall	Chamberlain	Eilberg
Ayres	Chappell	Erlenborn
Barrett	Clark	Esch
Beall, Md.	Clay	Eshleman
Bennett	Cleveland	Evans, Colo.
Bieber	Cohelan	Fallon
Bingham	Conable	Farbstein
Blanton	Conte	Feighan
Boland	Conyers	Findley
Bolling	Corman	Fish
Brasco	Coughlin	Fisher
Brinkley	Cramer	Flood
Brock	Culver	Flowers
Brotzman	Cunningham	Foley
Brown, Calif.	Daniel, Va.	Fountain
Brown, Mich.	Daniels, N.J.	Fraser
Broyhill, N.C.	Davis, Ga.	Frelinghuysen
Broyhill, Va.	de la Garza	Frey
Buchanan	Dennis	Friedel
Burke, Fla.	Dickinson	Fulton, Pa.

Fulton, Tenn.	McClary	Quillen
Fuqua	McCloskey	Randall
Gallifanakis	McClure	Reid, Ill.
Gallagher	McDade	Reid, N.Y.
Garmatz	McDonald,	Reuss
Gaydos	Mich.	Riegle
Gettys	McEwen	Robison
Glaimo	McFall	Rodino
Gonzalez	McMillan	Rogers, Colo.
Goodling	Macdonald,	Rooney, Pa.
Gray	Mass.	Rosenthal
Green, Oreg.	MacGregor	Roth
Green, Pa.	Madden	Roudebush
Grover	Mahon	Ruppe
Gubser	Mailliard	Ruth
Gude	Mann	Ryan
Haley	Marsh	Sandman
Hamilton	Martin	Saylor
Hammer-	Mathias	Schadeberg
schmidt	Matsunaga	Scheuer
Hanley	Mayne	Schneebell
Hansen, Idaho	Melcher	Schwengel
Harrington	Meskill	Sisk
Harsha	Michel	Skubitz
Hastings	Mikva	Slack
Hathaway	Miller, Ohio	Smith, Calif.
Hawkins	Minish	Smith, Iowa
Hébert	Mink	Springer
Hechler, W. Va.	Mizell	Staggers
Heckler, Mass.	Mollohan	Stanton
Helstoski	Monagan	Steed
Henderson	Montgomery	Steiger, Ariz.
Hicks	Morgan	Steiger, Wis.
Hogan	Morse	Stokes
Horton	Morton	Stratton
Hull	Mosher	Stubblefield
Hungate	Moss	Stuckey
Hunt	Murphy, Ill.	Sullivan
Hutchinson	Murphy, N.Y.	Talcott
Ichord	Myers	Taylor
Jacobs	Natcher	Thompson, Ga.
Jarman	Nedzi	Thomson, Wis.
Johnson, Pa.	Nelsen	Tieman
Jonas	Nix	Udall
Jones, Ala.	Obey	Ullman
Jones, N.C.	O'Hara	Van Deerlin
Kastenmeier	Olsen	Vanik
Kazen	O'Neill, Mass.	Vigorito
Kee	Ottinger	Waldie
Keith	Patman	Wampler
King	Patten	Watts
Kleppe	Perkins	Weicker
Koch	Pettis	Whalley
Kyl	Philbin	White
Kyros	Pickle	Williams
Landgrebe	Pike	Wold
Landrum	Poff	Wyatt
Langen	Pollock	Wyman
Latta	Preyer, N.C.	Yates
Lennon	Price, Ill.	Yatron
Lloyd	Pryor, Ark.	Young
Long, Md.	Pucinski	Zablocki
Lujan	Purcell	Zwack
McCarthy	Quie	

NAYS—21

Abernethy	Davis, Wis.	Passman
Betts	Derwinski	Poage
Brown, Ohio	Flynt	Rarick
Burleson, Tex.	Gross	Satterfield
Caffery	Hagan	Scherle
Clawson, Del	Hall	Scott
Colmer	O'Neal, Ga.	Utt

ANSWERED "PRESENT"—1

NOT VOTING—130

Abbt	Clausen	Hanna
Addabbo	Don H.	Hansen, Wash.
Albert	Collier	Harvey
Alexander	Collins	Hays
Anderson,	Corbett	Holifield
Tenn.	Cowger	Hosmer
Ashbrook	Daddario	Howard
Baring	Dawson	Johnson, Calif.
Belcher	Delaney	Jones, Tenn.
Bell, Calif.	Dellenback	Karth
Berry	Denney	Kirwan
Bevil	Dent	Kluczyński
Biaggi	Devine	Kuykendall
Blackburn	Diggs	Leggett
Blatnik	Dingell	Lipscorn
Boggs	Edwards, Ala.	Long, La.
Bow	Evins, Tenn.	Lowenstein
Brademas	Fascell	Lukens
Bray	Ford, Gerald R.	McCulloch
Brooks	Ford,	McKneally
Broomfield	William D.	May
Burton, Utah	Foreman	Meeds
Bush	Gibbons	Miller, Calif.
Cahill	Gilbert	Mills
Carey	Goldwater	Minshall
Celler	Griffin	Mize
Chisholm	Griffiths	Moorhead
Clancy	Halpern	Nichols

O'Konski	St Germain	Watkins
Pelly	St. Onge	Watson
Pepper	Sebelius	Whalen
Pirnie	Shipley	Whitehurst
Podell	Shriver	Whitten
Powell	Sikes	Widnall
Price, Tex.	Smith, N.Y.	Wiggins
Rallsback	Snyder	Wilson, Bob
Rees	Stafford	Wilson.
Relfel	Stephens	Charles H.
Rhodes	Symington	Winn
Rivers	Teague, Calif.	Wright
Roberts	Teague, Tex.	Wylder
Rogers, Fla.	Thompson, N.J.	Wyllie
Rooney, N.Y.	Tunney	Zion
Rostenkowski	Vander Jagt	
Roybal	Waggonner	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Watkins for, with Mr. Devine against.

Until further notice:

Mr. Hays with Mr. Rhodes.

Mr. Brooks with Mr. Bob Wilson.

Mr. Thompson of New Jersey with Mr. Widnall.

Mr. Boggs with Mr. Stafford.

Mr. Addabbo with Mr. Corbett.

Mr. Hollifield with Mr. Broomfield.

Mr. Carey with Mr. Cahill.

Mr. Delaney with Mr. Bow.

Mr. Evins of Tennessee with Mr. Lipscomb.

Mr. Miller of California with Mrs. May.

Mr. Rooney of New York with Mr. Pirnie.

Mr. Wolff with Mr. Hosmer.

Mr. Rostenkowski with Mr. Relfel.

Mr. Albert with Mr. Gerald R. Ford.

Mr. St. Onge with Mr. Wylder.

Mr. Sikes with Mr. Pelly.

Mr. Fascell with Mr. Mize.

Mr. Kirwan with Mr. McKneally.

Mr. Howard with Mr. McCulloch.

Mr. Teague of Texas with Mr. Denney.

Mr. Rivers with Mr. Edwards of Alabama.

Mr. Kluczyński with Mr. Harvey.

Mr. Biaggi with Mr. Bray.

Mr. Bevil with Mr. Berry.

Mr. Brademas with Mr. Shriver.

Mr. Moorhead with Mr. Teague of California.

Mr. Rogers of Florida with Mr. Collier.

Mr. St Germain with Mr. Belcher.

Mr. Mills with Mr. Watson.

Mr. Dent with Mr. Whalen.

Mr. Griffin with Mr. Rallsback.

Mr. William D. Ford with Mr. Lukens.

Mr. Dingell with Mr. Kuykendall.

Mr. Pepper with Mr. Burton of Utah.

Mr. Charles H. Wilson with Mr. Clancy.

Mr. Podell with Mr. Halpern.

Mr. Whitten with Mr. Don H. Clausen.

Mr. Blatnik with Mr. Dellenback.

Mr. Alexander with Mr. Collins.

Mr. Nichols with Mr. Foreman.

Mr. Wright with Mr. Bush.

Mr. Abbt with Mr. Blackburn.

Mr. Baring with Mr. Price of Texas.

Mr. Stephens with Mr. O'Konski.

Mr. Tunney with Mr. Goldwater.

Mr. Anderson of Tennessee with Mr. Whitehurst.

Mr. Johnson of California with Mr. Wiggins.

Mr. Leggett with Mr. Sebelius.

Mr. Roberts with Mr. Winn.

Mr. Rees with Mr. Dawson.

Mr. Hanna with Mr. Powell.

Mr. Lowenstein with Mr. Diggs.

Mrs. Hansen of Washington with Mrs. Chisholm.

Mr. Karth with Mr. Symington.

Mr. Gilbert with Mr. Bell of California.

Mr. Jones of Tennessee with Mr. Ashbrook.

Mr. Shipley with Mr. Minshall.

Mr. Celler with Mr. Smith of New York.

Mr. Gibbons with Mr. Cowger.

Mr. Meeds with Mr. Vander Jagt.

Mr. Waggonner with Mr. Zion.

Mr. Daddario with Mr. Snyder.

Mrs. Griffiths with Mr. Wylie.

Mr. Roybal with Mr. Long of Louisiana.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to the provisions of House Resolution 526, the Committee on Interstate and Foreign Commerce is discharged from the further consideration of the bill S. 1242.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Motion offered by Mr. STAGGERS: Strike all after the enacting clause of the bill S. 1242 and insert in lieu thereof the provisions of H.R. 7737, as passed, as follows:

"That this Act may be cited as the 'Educational Television and Radio Amendments of 1969'.

"THREE-YEAR AUTHORIZATION FOR PUBLIC BROADCASTING FACILITIES

"Sec. 2. (a) Section 391 of the Communications Act of 1934 (47 U.S.C. 391) is amended by inserting after the second sentence the following new sentence: 'There are also authorized to be appropriated for the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, \$15,000,000 per fiscal year.'

"(b) The last sentence of such section is amended by striking out 'July 1, 1971' and inserting in lieu thereof 'July 1, 1974'.

"ONE-YEAR EXTENSION OF FINANCING OF CORPORATION FOR PUBLIC BROADCASTING

"Sec. 3. (a) Paragraph (1) of subsection (k) of section 396 of the Communications Act of 1934 (47 U.S.C. 396) is amended by inserting ', and for the next fiscal year the sum of \$20,000,000' after '\$9,000,000'.

"(b) Paragraph (2) of such subsection is amended by inserting 'or the next fiscal year' after 'June 30, 1969,'."

The SPEAKER pro tempore. The question is on the motion of the gentleman from West Virginia (Mr. STAGGERS).

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7737) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ADJOURNMENT TO MONDAY,  
OCTOBER 13, 1969

Mr. MOSS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR  
WEDNESDAY BUSINESS ON  
WEDNESDAY NEXT

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON  
H.R. 4148, TO AMEND THE FEDERAL  
WATER POLLUTION CONTROL ACT

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4148) to amend the Federal Water Pollution Control Act, as amended, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and, without objection, appoints the following conferees: Messrs. BLATNIK, JONES of Alabama, WRIGHT, FALLON, CRAMER, HARSHA, and GROVER.

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK  
OF OCTOBER 13

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the remainder of this week and the schedule for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the distinguished majority leader.

Mr. ALBERT. I appreciate the indulgence of the Chair, because we have other matters to take care of immediately.

There is no further program for today.

Monday is District Day, but there are no District bills. Monday is also Columbus Day, and we will not program any legislative business on Monday.

For Tuesday and the balance of the week:

H.R. 13000, Federal Salary Comparability Act of 1969, with an open rule and 2 hours of debate.

H.R. 14127, to carry out the recommendations of the Joint Commission on the Coinage, with an open rule, 2 hours of debate.

H.R. 4293, Export Control Act extension, with an open rule and 1 hour of debate.

This announcement is made subject to the usual reservation that conference reports may be brought up at any time and any further program may be announced later, and I would say to the Members that we can certainly expect some conference reports during the course of next week.

I thank the gentleman.  
Mr. GERALD R. FORD. Mr. Speaker, I thank the gentleman and I yield back the balance of my time.

SECOND ANNUAL REPORT OF NATIONAL ADVISORY COMMITTEE ON ADULT BASIC EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 91-176)

The SPEAKER pro tempore laid before the House the following message from the President of the United States:

To the Congress of the United States:

I transmit herewith the Second Annual Report of the National Advisory Committee on Adult Basic Education.

Adult basic education plays a vital role in making our democratic society viable and rewarding to all its members. Teaching the adult to read, write, and speak well leads to expanded job opportunities, enhanced self-esteem, a better home environment for school children and increased civic responsibility.

To help meet the needs for adult basic education, the National Advisory Committee has been reviewing the administration and effectiveness of the Adult Basic Education Program in the Office of Education and fifteen other federally supported programs which have adult basic education components. The Report describes this review and makes several recommendations concerning the Federal effort to serve the education needs of the more than 20 million adult Americans who have less than an eighth-grade education.

I have asked the Council for Urban Affairs, which has a special committee on education, to review these and other recommendations of the National Advisory Committee carefully, and to seek ways to improve the performance and coordination of all Federal adult basic education programs.

RICHARD NIXON.

THE WHITE HOUSE, October 9, 1969.

The message, together with the accompanying papers, was, without objection, referred by the Speaker pro tempore (Mr. BOLLING), to the Committee on Education and Labor and ordered to be printed.

PERSONAL ANNOUNCEMENT OF CO-SPONSORS OF HOUSE JOINT RESOLUTION 927 PROVIDING FOR FUNDING OF HEALTH, EDUCATION, AND WELFARE

Mr. COHELAN. Mr. Speaker, I rise to correct an error in the sponsorship of House Joint Resolution 927 which provided for the funding of Health, Education, and Welfare under a continuing resolution at the House-passed levels. The name of the Honorable MICHAEL J. KIRWAN, of Ohio, appears as a cosponsor of this resolution. I have been informed that Mr. KIRWAN's name was incorrectly added to the list of cosponsors and I ask unanimous consent that the Record stand corrected.

The SPEAKER pro tempore. The gentleman's statement will appear in the RECORD. There is no way of correcting the resolution.

#### PERSONAL EXPLANATION

Mr. STEIGER of Wisconsin. Mr. Speaker, on rollcall No. 212 I was unable to be present due to a speaking engagement at the Brookings Institute.

Had I been present, I would have voted "no" on the motion to table the motion of the gentleman from Massachusetts (Mr. CONTE) to instruct the agriculture appropriation conferees.

#### DOMESTIC FINANCE SUBCOMMITTEE TO CONSIDER FIELD HEARINGS ON THE STATE OF THE ECONOMY

(Mr. PATMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, it is essential that the Congress keep in touch with the grassroots thinking of America.

Your Committee on Banking and Currency has received many hundreds of letters from consumers, homebuilders, small businessmen, and others concerning their economic problems. As chairman of the Committee on Banking and Currency, in answering these letters, I have indicated that if the demand is sufficient, the committee would make it possible for these local grassroots people to present their views to the committee in their own or nearby cities and towns. With this thought in mind, I have called for a meeting of the Domestic Finance Subcommittee on October 23 to discuss this matter and, as indicated, if the demand exists, to plan for a tour which will possibly include many areas of the Nation.

It will be our intention, Mr. Speaker, to listen to the views of the people on the key economic questions that are under the jurisdiction of the House Committee on Banking and Currency, questions involving such issues as high interest rates which fuel inflation, tight money, consumer prices, home construction and home mortgage credit, and like subjects. As we all know, most people find it difficult—if not impossible—to come to Washington to present their views to the Congress. As a result, we too often get only the so-called experts' opinion on these issues. And the ideas of these experts do not always coincide with those of the people.

Mr. Speaker, I believe the demand for these field trips is self-evident. In my opinion, these field trips will demonstrate that the Congress wants the views of the people. At the same time, it will enable the Banking and Currency Committee to view some of the serious economic problems firsthand and to collect information that is essential to the committee's legislative jurisdiction and responsibility. The concern of the people about high interest rates, inflation and other issues is real and it is vital that the Congress do everything possible to

come up with solutions to these severe problems.

It would be my intention, based on additional requests from the field, to conduct this field trip as soon as possible. Every attempt will be made, of course, to spread these hearings geographically so that the maximum number of people may participate and express their various views.

#### FAILURE OF THE NIXON ADMINISTRATION TO GIVE FAVORABLE ATTENTION TO PENDING LEGISLATIVE PROPOSALS

(Mr. HELSTOSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. HELSTOSKI. Mr. Speaker, I have had the high honor and privilege of serving on the Committee of Veterans' Affairs since coming to the Congress in 1965. Congress has a most distinguished and commendable record of bipartisan ship in considering legislation affecting America's veterans and their dependents. I am absolutely certain that this excellent spirit of bipartisanship on veterans affairs will continue in the Congress.

However, Mr. Speaker, I am becoming increasingly concerned and alarmed over the failure of the Nixon administration to give favorable attention to many pending legislative proposals which have been introduced in the 91st Congress.

During the first 9 months of its life, the Nixon administration has opposed, reduced, or asked delay in passage of almost every meaningful bill on veterans matters which the House or Senate has brought to the floor for consideration. At his vacation retreat in San Clemente, Calif., on June 5, 1969, in his first public pronouncement on veterans affairs, President Nixon said:

Veterans' benefit programs have become more than a recognition for services performed in the past, they have become an investment in the future of the veteran and his country.

Then the President announced the appointment of a study committee heavily weighted with social planners who traditionally have favored dismembering VA and switching administration of veterans health and education matters to the Department of Health, Education, and Welfare.

#### WHO IS RUNNING THE VA?

Appointments to the study committee raised the question in the minds of those knowledgeable in veterans affairs of "Who is going to run the VA?" was it to be HEW Secretary, Robert Finch, Mr. Patrick Moynihan of the White House domestic affairs staff, the Bureau of the Budget, or the Administrator of Veterans' Affairs?

In offering advice to newly appointed VA Administrator Don Johnson when Johnson recommended that Congress defer action on a bill to raise compensation or widows and orphans, Senator HERMAN TALMADGE, chairman of the Senate Subcommittee on Veterans Legislation said:

There is a saying around town that if you want to kill a bill, study it to death.

#### TALK—NO ACTION

The contrast in what administration spokesmen and the President say and what they do, grows sharper with their every position on pending legislation. They express concern over the problems of returning Vietnam servicemen using the GI educational entitlement—on June 5, 1969, Mr. Nixon said he was shocked—but just prior to the House passing an increase in educational benefits—the one sure economic attraction to get more veterans in school—the Nixon administration on June 23, 1969, implored the Congress to "defer consideration."

#### VIETNAM VETS LOSING ALMOST \$1 MILLION DAILY IN EDUCATION BENEFITS

Meanwhile, Vietnam veterans in school, struggling to meet inflated education and cost-of-living costs are losing almost \$1 million per day in benefits.

A recent Wall Street Journal article highlighted the issue in quoting two veterans among many they surveyed. Harry Arrington, a 37-year-old Navy veteran, who left service last year and needs two or three semesters to earn a college degree put it this way:

I'd find it virtually impossible to use now—it's something I've always wanted, but I can't make the sacrifice now. I couldn't even pay my tuition on that amount of money.

Another 22-year-old Vietnam veteran, Kenneth Walker, with a 10th grade education said:

You can't get nothing without a high school education, but first off I have to get me some money. Right now I couldn't afford to (attend school under the GI bill.)

#### WHAT ABOUT HELP FOR THE "DISADVANTAGED" VETERAN?

There has been much dialog in the new administration about training the disadvantaged veteran and in seeking them out to bring them into veterans' programs. Yet, when the Congress, at Mr. Nixon's request, removed the personnel ceilings on government agencies and departments which Mr. Nixon asserted were "unworkable," he immediately had the Bureau of the Budget invoke new ceilings. As a result the VA lost 634 more positions over and above the 3,586 jobs they lost when the Nixon administration sent its revised April budget to the Congress. Three hundred and seventy-eight of the lost positions were scheduled for assignment to overworked VA contact and allied staffs which handle education and other veterans' claims. On April 1, 1969, when the new administration was recommending VA reduce its staff for claims processing, almost 600,000 pending actions and inquiries were backlogged in VA regional offices.

While these backlogs were accumulating, the workload of all facets of the VA's Department of Veterans' Benefits continued to grow as more and more servicemen poured out of service at the rate of 75,000 per month.

The increased workload in each division responsible for administering veterans' benefits is shown by these figures: